

**THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.**



MAKING *Life* BETTER

**Notice of Annual General Meeting**

**and**

**Management Information Circular**

**May 9, 2019**

**Place:** Four Points by Sheraton  
6257 Airport Road  
Mississauga, Ontario  
Canada L4V 1E4

**Time:** 9:00 a.m. (Eastern Time)

**Date of Meeting:** Tuesday, June 11, 2019



MAKING *Life* BETTER

## **THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.**

6205 Airport Road, Building A – Suite 301, Mississauga, Ontario L4V 1E3

Tel: (905) 304-4201

Email: invest@tgod.ca

### **NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (“**Common Shares**”) in the capital of **The Green Organic Dutchman Holdings Ltd.** (the “**Corporation**”) will be held at the Four Points by Sheraton, 6257 Airport Road, Mississauga, Ontario, Canada L4V 1E4 on Tuesday, June 11, 2019 at 9:00 a.m. (Eastern Time), for the following purposes:

1. to table the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon and the related management discussion and analysis;
2. to fix the number of directors of the Corporation to be elected at six (6);
3. to elect the directors of the Corporation who will serve until the end of the next annual shareholder meeting or until their successors are appointed;
4. to appoint KPMG LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors to fix its remuneration; and
5. to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The Information Circular accompanies and forms part of this Notice. The Information Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to, or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The board of directors of the Corporation has fixed May 7, 2019 as the record date (the “**Record Date**”) for the Meeting. Shareholders of record on the Corporation’s books at the close of business on May 7, 2019 are entitled to attend and vote at the Meeting or at any postponement or adjournment thereof. Each Common Share is entitled to one vote.

An “ordinary resolution” is a resolution passed by at least a majority of the votes cast by Shareholders who voted in respect of that resolution at the Meeting.

A “special resolution” is a resolution passed by at least two-thirds of the votes cast by Shareholders who voted in respect of that resolution at the Meeting.

Copies of the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon accompany this Notice. Copies of the management’s discussion and analysis related to the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018 will be available at the Meeting.

**If you are a registered Shareholder and are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.**

**If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary. If you hold your Common Shares in a brokerage account, you are not a registered Shareholder.**

DATED at Toronto, Ontario, May 9, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) *"Brian D. Athaide"*

Brian D. Athaide  
Chief Executive Officer and Director

## Table of Contents

Page

<b>GLOSSARY OF DEFINED TERMS .....</b>	<b>1</b>
<b>SOLICITATION OF PROXIES .....</b>	<b>1</b>
<b>APPOINTMENT, VOTING AND REVOCATION OF PROXIES .....</b>	<b>1</b>
<b>INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON .....</b>	<b>3</b>
<b>VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES .....</b>	<b>4</b>
<b>PARTICULARS OF MATTERS TO BE ACTED UPON .....</b>	<b>4</b>
<b>FINANCIAL STATEMENTS .....</b>	<b>4</b>
<b>ELECTION OF DIRECTORS .....</b>	<b>4</b>
<b>APPOINTMENT OF AUDITOR .....</b>	<b>13</b>
<b>COMPENSATION OF EXECUTIVE OFFICERS .....</b>	<b>14</b>
<b>STATEMENT OF EXECUTIVE COMPENSATION .....</b>	<b>17</b>
<b>SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS .....</b>	<b>25</b>
<b>INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS .....</b>	<b>32</b>
<b>INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....</b>	<b>32</b>
<b>MANAGEMENT CONTRACTS .....</b>	<b>33</b>
<b>CORPORATE GOVERNANCE .....</b>	<b>33</b>
<b>RECEIPT OF SHAREHOLDERS PROPOSALS .....</b>	<b>40</b>
<b>ADDITIONAL INFORMATION .....</b>	<b>40</b>
<b>OTHER MATTERS .....</b>	<b>40</b>

## GLOSSARY OF DEFINED TERMS

In this Information Circular, unless there is something in the context or subject matter inconsistent therewith, the following defined terms have the meanings hereinafter set forth:

“**ACB**” means adjusted cost base;

“**Annual Base Compensation**” refers to the ability of non-employee directors to elect to receive up to 100% of their annual compensation amount as established from time to time by the Board or the Compensation Committee in DSUs;

“**ASC**” means Alberta Securities Commission;

“**Aurora**” means Aurora Cannabis Inc.;

“**Board**” means the board of directors of the Corporation;

“**Broadridge**” means Broadridge Financial Solutions, Inc.;

“**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in the City of Toronto, Ontario are not generally open for business;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, and the regulations made under that enactment, as amended;

“**CEO**” means Chief Executive Officer;

“**CFO**” means Chief Financial Officer;

“**Code**” means U.S. Internal Revenue Code of 1986;

“**Common Shares**” means the common shares in the capital of the Corporation;

“**Computershare**” means Computershare Trust Company of Canada, the transfer agent of TGOD;

“**Corporation**” or “**TGOD**” means The Green Organic Dutchman Holdings Ltd.;

“**CRA**” means the Canada Revenue Agency;

“**CSA**” means the Canadian Securities Administrators;

“**CSE**” means the Canadian Securities Exchange;

“**Custodian**” means Computershare Trust Company of Canada;

“**Definitive Certificates**” refers to shares in registered and definitive form;

“**Depository**” means Computershare Trust Company of Canada;

“**DRS**” means the direct registration system;

“**DSU**” refers to a deferred stock unit awarded under the DSU Plan;

“**DSU Account**” refers to the notional account maintained for non-employee directors in order to record their respective DSU awards on the books of the Corporation;

“**DSU Plan**” means the non-employee directors deferred share unit plan adopted by the Board;

“**Eligible Persons**” means any director, officer, employee or consultant, of the Corporation or any of its subsidiaries as determined by the Board as being eligible for participation in the Corporation’s Share Option Plans;

“**Encumbrance**” means any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third Person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

“**Global Certificate**” refers to registered book-entry global certificates;

“**Governance Committee**” means the Corporate Governance and Nominating Committee;

“**High Plains**” means High Plains Energy Inc.;

“**Holding Company**” means a company of which the Optionee holds the majority of voting securities;

“**Incentive Stock Options**” has the meaning ascribed thereto in the Section 422 of the Code;

“**Information Circular**” means this management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Shareholders in connection with the Meeting;

“**Insider**” has the meaning ascribed thereto in the TSX Company Manual;

“**Legacy Option Plan**” means the option plan adopted by the Shareholders at the Corporation’s annual general and special shareholder meeting held on January 31, 2018;

“**Majority Voting Policy**” refers to the majority voting policy adopted by the Board;

“**Meeting**” means the annual general meeting of the Shareholders, including any adjournment or postponement of such annual general meeting, to be held at 9:00 a.m. (Eastern Time) on Tuesday, June 11, 2019;

“**NEOs**” means (a) the CEO; (b) the CFO; (c) the three (3) most highly compensated executive officers of the Corporation (other than the CEO and CFO) during the financial year ended December 31, 2018 earning more than \$150,000 annually, including, in aggregate, all salaries, fees, bonuses and perquisites; and (d) each individual who would be captured under (c) but for the fact that the individual is neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year;

“**New Option Plan**” means the new form of 10% rolling share option plan adopted by the Board on November 7, 2018;

“**NI 58-101**” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;

“**Offer to Pay**” means a written offer to purchase the Dissenting Shares of a Dissenting Shareholder who has sent a demand for payment;

“**Option Period**” shall mean the period from the date of grant of an Option to the expiry date;

“**Optionee**” shall mean an Eligible Person to whom an Option has been granted under the terms of the Corporation’s Share Option Plans;

“**Options**” means an option granted under the terms of the Legacy Option Plan or the New Option Plan;

“**Participant**” means employees and directors of the Corporation and its designated subsidiaries who are eligible to participate in the RSU Plan; it also refers to non-employee directors allowed to participate under the DSU Plan;

“**Proxy**” means the proxy in the form solicited by management pursuant to this Information Circular, which form accompanies this Information Circular;

“**Record Date**” means the record date for determination of persons entitled to receive notice of the Meeting;

“**Registered Shareholder**” means a registered holder of Common Shares as recorded in the shareholder register of TGOB maintained by Computershare;

“**RSU Plan**” means the restricted share unit plan adopted by the Board;

“**RSU**” means restricted share units awarded under the RSU Plan;

“**Share Option Plans**” means the Legacy Option Plan and the New Option Plan;

“**Shareholder**” or “**TGOB Shareholder**” means a holder of Common Shares;

“**Tax Act**” means the Income Tax Act (Canada) and the regulations thereunder, all as amended from time to time;

“**Trading Day**” means a day on which the TSX is open for trading and on which the Common Shares have not been halted;

“**Trustee**” refers to a Canadian institutional trustee;

“**TSX Policies**” means rules and policies of the TSX as amended from time to time;

“**TSX**” means the Toronto Stock Exchange and any successor thereto;

“**TSXV Policies**” means the rules and policies of the TSXV as amended from time to time;

“**TSXV**” means the TSX Venture Exchange and any successor thereto;

“**Tuscany**” means Tuscany International Drilling Inc.;

“**U.S. Investees**” means an investment in businesses in the cannabis industry in the U.S.;

“**U.S. Person**” means a “U.S. person” as defined in Regulation S (the definition of which includes, but is not limited to, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any partnership or corporation organized outside of the United States by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized, or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts, and (iv) any estate or trust of which any executor or administrator or trustee is a U.S. Person);

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended;

“**U.S. Shareholder**” means an individual or entity that qualifies as a U.S. Person or a Person in the United States under applicable U.S. securities laws;

“**U.S.**” means the United States of America, its territories, any State of the United States and the District of Columbia; and

“**VIF**” means a voting instruction form.



MAKING *Life* BETTER

## **THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.**

6205 Airport Road, Building A – Suite 301, Mississauga, Ontario L4V 1E3

Tel: (905) 304-4201

### **MANAGEMENT INFORMATION CIRCULAR**

(Containing information as at May 9, 2019 unless indicated otherwise)

### **SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by management of the Corporation for use at the Meeting commencing at 9:00 a.m. (Eastern Time) Tuesday, June 11, 2019, and at all postponements or adjournments thereof, at the place and for the purposes set forth in the accompanying Notice of Meeting. **This solicitation is being made by or on behalf of management.**

While it is expected that the solicitation of proxies for the Meeting will be made primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Corporation at nominal cost. All costs of solicitation by management will be borne by the Corporation. The Corporation has arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and shall reimburse the intermediaries for their reasonable fees and disbursements in that regard.

The Corporation is not using “notice-and-access” to send its proxy-related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The Corporation will not send proxy-related materials directly to non-objecting Beneficial Holders (as defined herein) and such materials will be delivered to non-objecting Beneficial Holders through their intermediaries.

### **APPOINTMENT, VOTING AND REVOCATION OF PROXIES**

#### **Appointment of Proxyholders**

The individuals named in the accompanying Proxy are officers and/or directors of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or Corporation other than any of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;



- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

**In the absence of any direction, your Common Shares will be voted:**

- (a) **FOR** fixing the number of directors at six;
- (b) **FOR** the election of each of the nominees to the board of directors listed under the heading “Election of Directors”; and
- (c) **FOR** the appointment of KPMG LLP as auditor of TGOD and that the Board of TGOD be authorized to fix the remuneration of the auditor.

### **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the Proxy and returning it to the Corporation’s transfer agent, Computershare, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder’s account number and the control number; or
- (c) using the internet through the website of the Corporation’s transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the Proxy is to be used.

### **Beneficial Shareholders**

**The following information is of significant importance to Shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

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

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

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

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge in Canada and in the U.S. Broadridge mails a VIF in lieu of a Proxy provided by the Corporation. The VIF will name the same persons as the Corporation’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF to represent your

Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

#### **Notice to United States Shareholders**

The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Information Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the U.S. should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of Common Shares by Shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Corporation has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for U.S. companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for Shareholders who are resident in, or citizens of, the U.S. may not be described fully in this Information Circular.

The enforcement by Shareholders of civil liabilities under the U.S. federal securities laws may be affected adversely by the fact that the Corporation is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Corporation are located outside the U.S.

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare, at any time up to and including the last Business Day that precedes the day of the Meeting or, if the Meeting is adjourned, the last Business Day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered Shareholder's Common Shares.

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

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

No director or executive officer of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and as otherwise set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Board has fixed May 7, 2019 as the Record Date for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of the date hereof, there were 275,094,271 Common Shares issued and outstanding, each carrying the right to one vote. The Corporation is authorized to issue an unlimited number of Common Shares without par value.

As of the date hereof, to the knowledge of the directors and executive officers of the Corporation, there are no persons or companies who beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares, other than as set out below.

Name	Number of Common Shares	% of Issued and Outstanding Common Shares
Aurora Cannabis Inc.	28,833,334	10.5%

Pursuant to the investor rights agreement dated January 12, 2018 between the Corporation and Aurora, for as long as Aurora owns at least 10% of the Common Shares (calculated on a fully diluted basis), Aurora is entitled to nominate one (1) director to the Board of the Corporation. Other than the foregoing, no group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON

Matters of business to be attended to at the Meeting are:

1. Presentation of the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018 (see “*Financial Statements*”);
2. Set the number of directors of the Corporation to be elected at six (6) (see “*Election of Directors*”);
3. Elect directors of the Corporation who will serve until the end of the next annual shareholder meeting or until their successors are appointed (see “*Election of Directors*”); and
4. Appointment of KPMG LLP as auditor of the Corporation for the ensuing year and to authorize directors to fix its remuneration (see “*Appointment of Auditor*”).

## FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the financial year of the Corporation ended December 31, 2018, together with the report of the auditor thereon, and the management’s discussion and analysis related thereto (together the “**annual financials**”) will be available and placed before the Shareholders at the Meeting. Additional information relating to these documents may be obtained by a Shareholder upon request without charge from the Corporation at 6205 Airport Rd., Building A – Suite 301, Mississauga, Ontario L4V 1E3.

Copies of the annual financials are available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).


## ELECTION OF DIRECTORS

There are currently six directors of the Corporation. The Articles of the Corporation require that the number of directors of the Corporation be a minimum of three (3) to a maximum of ten (10) directors. By consent resolution, the Board has determined that the number of directors to be elected by the Shareholders at the Meeting is to be set at six (6). Accordingly, at the Meeting Shareholders will be asked to vote in favour of an ordinary resolution to fix the number of directors to be elected to the Board at six (6).

The term of office of each of the current directors will end at the conclusion of the Meeting. Each of the nominated directors is eligible to serve as a director and has expressed his or her willingness to do so. Unless the director’s office is


vacated earlier in accordance with the provisions of the CBCA, directors who are elected will serve until the end of the next annual meeting of Shareholders, or until a successor is elected or appointed.

The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Corporation or any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years), the period of time during which each has been a director and the number of securities beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as of May 8, 2019. The information as to the present principal occupation, business or employment is not within the knowledge of the Corporation and has been furnished by the respective nominees.

<b>Jeffrey James Scott, Chairman</b>				
 <p><b>Age:</b> 56</p> <p><b>Residence:</b> Alberta, Canada</p> <p><b>Director Since:</b> January 2, 2018</p> <p><b>Independent</b></p>	<p>Mr. Scott is President of Postell Energy Co., a private Canadian oil producer in business in western Canada since 1980. He is the Founder and was Chairman of Gran Tierra Energy (TSX:GTE), a South American base E&amp;P Corporation from February 2005 to June of 2015. Mr. Scott is also Chairman of Sulvaris Inc., a private fertilizer technology Corporation since February 2012, and has been the Chairman and a Director of CruzSur Energy Corp. (formerly PentaNova Energy Corp.), an oil and gas company listed on the TSX-V, since May 2017. Mr. Scott has been in the oil and gas business on both the E&amp;P and service sides of the industry for over 34 years. He has extensive management, financing, mergers and acquisition and public company experience. Over the last 20 years he has been involved in a variety of capacities from founder to officer and/or director of numerous publicly traded companies. Mr. Scott holds a Bachelor of Arts degree from the University of Calgary, and a Masters of Business Administration from California Coast University.</p>			
	<b>Key Areas of Skills and Experience</b>			
	<ul style="list-style-type: none"> <li>Public Company Board Experience</li> <li>Corporate Governance</li> <li>International Business</li> </ul>	<ul style="list-style-type: none"> <li>Transactional /M&amp;A</li> <li>Corporate Finance/ Capital Markets</li> <li>Financial Reporting/ Internal Controls</li> </ul>	<ul style="list-style-type: none"> <li>Operations</li> <li>Corporate Responsibilities</li> </ul>	
	<b>Public Company Boards</b>			
<ul style="list-style-type: none"> <li>CruzSur Energy Corp.</li> </ul>				
<b>Board/Committee Membership</b>	<b>Meeting Attendance</b>		<b>Securities Held As At May 8, 2019<sup>(1)</sup></b>	<b>Share Ownership Requirement</b>
Board of Directors, Chairman	15 of 15 <sup>(2)</sup>	100%	Common Shares: 662,000 <sup>(3)</sup> Options: 850,000 Warrants: 276,000 <sup>(3)</sup>	Complies.
Member of the Audit Committee	7 of 7	100%		
Member of Compensation Committee	2 of 2	100%		
Chair of Governance Committee	2 of 2	100%		
<b>Director Election - Voting Results</b>				
<b>Year</b>	<b>Votes For</b>		<b>Votes Withheld</b>	
2018	99.86		0.14%	

**Notes:**

- (1) The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (2) Mr. Scott was appointed to the Board on January 2, 2018.
- (3) Of these securities, 175,000 Common Shares and 87,500 Warrants are owned by Darringer Enterprises Ltd, a private Corporation owned and controlled by Mr. Scott.

<b>Brian D. Athaide</b>				
 <p><b>Age:</b> 50</p> <p><b>Residence:</b> Ontario, Canada</p> <p><b>Director Since:</b> September 24, 2018</p> <p><b>Non-Independent</b> <sup>(1)</sup></p>		<p>Currently, Mr. Athaide is CEO and director of the Corporation. Mr. Athaide was appointed to the position of CFO on March 19, 2018. He resigned as CFO on July 1, 2018 when he was appointed CEO. He was appointed director of the Corporation on September 24, 2018. Previously, Mr. Athaide was CFO and EVP – Human Resources &amp; Information Technology at Andrew Peller Limited., the largest publicly traded wine producer in Canada. Prior to that Mr. Athaide spent 25 years at Procter &amp; Gamble moving through successively larger Finance positions across 8 countries, culminating as the CFO of a multi-billion dollar business in Russia, Ukraine and Central Asia. Mr. Athaide has proven to have significant Consumer Products experience in North America, Europe, Asia, and Latin America leading M&amp;A deals, developing corporate strategy, managing foreign exchange devaluations, banking crisis, economic and political turmoil and high market volatility. Mr. Athaide graduated with a Bachelor of Commerce with concentrations in Finance and Marketing from McGill University.</p>		
<b>Key Areas of Skills and Experience</b>				
<ul style="list-style-type: none"> <li>• Cannabis Industry</li> <li>• Regulated Industry</li> <li>• International Business</li> <li>• HR/ Labour Relations</li> <li>• Operations</li> <li>• Consumer Packaged Goods</li> <li>• Corporate Governance</li> <li>• Transactional / M&amp;A</li> <li>• Financial Reporting/ Internal Controls</li> <li>• IT/Cybersecurity</li> <li>• Retail</li> <li>• Public Company Board Experience</li> <li>• Corporate Finance/ Capital Markets</li> <li>• Marketing</li> <li>• Corporate Social Responsibility</li> </ul>				
<b>Public Company Boards</b>				
None.				
<b>Board/Committee Membership</b>	<b>Meeting Attendance</b>		<b>Securities Held As At May 8, 2019<sup>(2)</sup></b>	<b>Share Ownership Requirement</b>
Member of the Board of Directors	2 of 2 <sup>(3)</sup>	100%	Common Shares: 416,850 Options: 1,700,000 Warrants: 155,000	Complies.
<b>Director Election - Voting Results</b>				
<b>Year</b>	<b>Votes For</b>	<b>Votes Withheld</b>		
2018	99.86	0.14%		

**Notes:**

- (1) Mr. Athaide is considered a non-independent director as he is the current CEO of the Corporation.
- (2) The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (3) Mr. Athaide was appointed to the Board on September 24, 2018.

**Marc Bertrand**



**Age:** 51

**Residence:**

Quebec, Canada

**Director Since:**

September 19, 2017

**Independent**

Mr. Bertrand was appointed director of the Corporation on September 19, 2017. He is a seasoned consumer products executive with 30 years of experience in brand building, strategic licensing, international markets and manufacturing. Since May 2014, Mr. Bertrand has been the President of PHAZTOO Inc. He was the President and Chief Executive Officer of Mega Brands Inc. from 1996 to 2014, after joining Ritvik, a family business, in 1985, assisting with the launch of the MEGA BLOKS brand and contributing to 22 years of consecutive growth and profitability for the company. As President and CEO, Mr. Bertrand led MEGA BLOKS, later rebranded to MEGA Brands, to become a global leader in the toy consumer products category, navigating a successful global expansion through R&D and innovation, strategic licensing, low-cost production, operational excellence and product quality, and culminating in the sale of MEGA Brands to Mattel in 2014 for over \$500 million. Mr. Bertrand is currently a director on the board of one public company, in addition to the Corporation, and three private company boards.

**Key areas of Skills and Experience**

- Cannabis Industry
- Retail
- International Business
- Corporate Finance/ Capital Markets
- Marketing
- Corporate Social Responsibility
- Regulated Industry
- Public Company Board Experience
- Government Relations/ Public Policy
- Financial Reporting/ Internal Controls
- Operations
- Consumer Packaged Goods
- Corporate Governance
- Transactional/ M&A
- HR/ Labour Relations
- Quality

**Public Company Boards**

- Wow Unlimited Media Inc.

Board/Committee Membership	Meeting Attendance		Securities Held As At May 8, 2019 <sup>(1)</sup>	Share Ownership Requirements
Member of the Board of Directors	16 of 16	100%	Common Shares: 909,245 Options: 618,000 Warrants: 108,750	Complies.
Member of the Audit Committee	7 of 7	100%		
Chair of Compensation Committee	2 of 2	100%		
Member of Governance Committee	2 of 2	100%		
Director Election - Voting Results				
Year	Votes For	Votes Withheld		
2018	99.73%	0.27%		

**Notes:**

<sup>(1)</sup> The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.

**Nicholas Kirton**



**Age: 74**

**Residence:**

Alberta, Canada

**Director Since:**

January 31, 2018

**Independent**

Mr. Kirton was appointed a director of the Corporation on January 31, 2018. He is a professional accountant who retired in 2004 after a thirty-eight year career with KPMG LLP, initially in the firm’s Montreal office and subsequently in its Calgary office, through to his retirement. He was elected to Partnership in the firm in 1976. Since his retirement he has served on the boards of nine publicly-traded companies, including the Corporation. As well, he served a ten-year term on the Board of Directors of the Canadian Investor Protection Fund, including one year as the Board Chair, and a six-year term on the Board of Governors of the University of Calgary, including three years as the Audit Committee Chair. Prior to his retirement, he served on the boards/council of KPMG, the Alberta Institute of Chartered Accountants and the Canadian Institute of Chartered Accountants. He was made a Fellow of the Chartered Accountants (now Chartered Professional Accountants) in 1996 in recognition of his service to his profession and his community. He also subsequently received a Distinguished Service Award in this regard.

**Key Areas of Skills and Experience**

- Public Company Board Experience
- Corporate Governance
- Corporate Social Responsibility
- International Business
- Transactional/ M&A
- Corporate Finance/ Capital Markets
- Financial Reporting/ Internal Controls

**Public Company Boards**

- Essential Energy Services Ltd.


Board/Committee Membership	Meeting Attendance	Securities Held As At May 8, 2019 <sup>(1)</sup>	Share Ownership Requirement
Member of the Board of Directors	14 of 14 <sup>(2)</sup> 100%	Common Shares:    50,000	Complies.
Chair of the Audit Committee	7 of 7    100%	Options:    650,000	
Member of Governance Committee	2 of 2    100%	Warrants:    25,000	
Director Election - Voting Results			
Year	Votes For	Votes Withheld	
2018	99.85%	0.15%	

**Notes:**

<sup>(1)</sup> The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.


<sup>(2)</sup> Mr. Kirton was appointed to the Board on January 31, 2018.



<b>Dr. Caroline MacCallum</b>		
 <p><b>Age:</b> 36</p> <p><b>Residence:</b> British Columbia, Canada</p> <p><b>Director Since:</b> January 7, 2019</p> <p><b>Independent</b></p>	<p>Dr. MacCallum was appointed director of the Corporation on January 7, 2019. Dr. MacCallum has been a Physician/MD since 2009 and is one of the world's most prominent experts in cannabinoid-based medicine. Dr. MacCallum is an internist, complex pain and cannabinoid clinician, researcher and clinical instructor in the Department of Medicine, an adjunct professor in the Faculty of Pharmaceutical Sciences Program and an associate member of the Department of Palliative Care at the University of British Columbia. She is also the Medical Director at Greenleaf Medical Clinic, where she has assessed and developed cannabinoid treatment plans for more than 3,000 patients across Canada.</p>	
	<b>Key Areas of Skills and Experience</b>	
	<ul style="list-style-type: none"> <li>• Cannabis Industry</li> <li>• Pharmaceutical/ Biomedical Industry</li> <li>• Regulated Industry</li> </ul>	
	<b>Public Company Boards</b>	
None.		
<b>Board/Committee Membership</b>	<b>Securities Held As At May 8, 2019<sup>(1)</sup></b>	<b>Share Ownership Requirements<sup>(3)</sup></b>
Member of the Board of Directors <sup>(2)</sup>	Options: 300,000	Complies.

**Notes:**

- <sup>(1)</sup> The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- <sup>(2)</sup> Dr. MacCallum was appointed to the Board on January 7, 2019.
- <sup>(3)</sup> Dr. MacCallum has five years from the date of her appointment to establish the required level of shareholdings.

Jacques Dessureault		
 <b>Age: 56</b> <b>Residence:</b> Quebec, Canada  <b>Director Since:</b> January 7, 2019  <b>Independent</b>	<p>Mr. Dessureault was appointed director of the Corporation on January 7, 2019. Mr. Dessureault is a pharmaceutical executive with experience in life sciences, natural health, and the technology industry. From November 2012 to June 2017, he was the President and General Manager of Valeant Canada's commercial units including research and development and international manufacturing and technical operations. Mr. Dessureault was also an independent businessman in the life science industry and Director, Optina Diagnostics since July 2017.</p>	
	Key Areas of Skills and Experience	
	<ul style="list-style-type: none"> <li>• Cannabis Industry</li> <li>• Retail</li> <li>• Government Relations/Public Policy</li> <li>• Financial Reporting/Internal Controls</li> <li>• Operations</li> <li>• Pharmaceutical/Biomedical Industry</li> <li>• Corporate Governance</li> <li>• Transactional/ M&amp;A</li> <li>• HR/ Labour Relations</li> <li>• Quality</li> <li>• Regulated Industry</li> <li>• International Business</li> <li>• Corporate Finance/Capital Markets</li> <li>• Marketing</li> <li>• Corporate Social Responsibility</li> </ul>	
	Public Company Boards	
	None.	
Board/Committee Membership	Securities Held As At May 8, 2019 <sup>(1)</sup>	Share Ownership Requirements <sup>(3)</sup>
Member of the Board of Directors <sup>(2)</sup> Member of the Compensation Committee	Options: 300,000	Complies.

**Notes:**

<sup>(1)</sup> The information as to the number of Common Shares beneficially owned or over which a director exercises control or direction, directly or indirectly, and not being within the knowledge of the Corporation, has been furnished by the respective directors individually.

<sup>(2)</sup> Mr. Dessureault was appointed to the Board on January 7, 2019

<sup>(3)</sup> Mr. Dessureault has five years from the date of his appointment to establish the required level of shareholdings.

None of the proposed nominees for election as a director of the Corporation are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Corporation acting solely in such capacity.

A Shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Corporation. At the Meeting the above persons will be nominated for election as director.**

If for any reason any of the proposed nominees does not stand for election or is unable to serve as such, the management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless you have specified in your proxy that your common shares are to be withheld from voting on the proposed nominee who does not stand for election.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

### **Majority Voting Policy**

The Majority Voting Policy applies to the election of directors. Under the Majority Voting Policy, a director who is elected with more votes withheld than cast in favour of his or her election will be required to tender his or her resignation to the Chairman of the Board. The resignation will be effective when accepted by the Board and the nominee director will not participate in any committee or Board meetings or deliberations on this matter. The Majority Voting Policy does not apply in circumstances involving contested director elections.

The Governance Committee will consider the resignation and make a recommendation to the Board on whether the resignation should be accepted. In considering the recommendation of the Governance Committee, the Board will consider the factors taken into account by the committee and such additional information and factors that the Board considers to be relevant. The Board expects that resignations will be accepted unless there are extenuating circumstances that warrant a contrary decision.

If the resignation is accepted, subject to any applicable law, the Board may leave the resultant vacancy unfilled until the next annual meeting of Shareholders, fill the vacancy through the appointment of a new director, or call a special meeting of Shareholders at which there will be presented one or more nominees to fill any vacancy or vacancies.

### **Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

No proposed director is, as at the date of this Information Circular, or has been, within the last 10 years before the date of this Information Circular, a director, or executive officer of any company (including the Corporation) that was:

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

Other than as set out below, no proposed director is, as of the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that:

- (a) while that person was acting in that capacity, or within a year of ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (b) became 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.

Mr. Scott was a director of Tuscany (formerly listed on the TSX and Colombian Stock Exchange) from April 16, 2010 until April 8, 2013, when he resigned from the board of directors of Tuscany. Tuscany filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware on February 2, 2014 and in the Court of Queen's Bench of Alberta under the Companies' Creditors Arrangement Act on February 4, 2014.

During 2010, while Mr. Bertrand was the CEO of Mega Brands Inc., the Superior Court of Québec (the "Court") approved a plan of arrangement under the CBCA pursuant to which MEGA Brands Inc. completed a restructuring of its business under the CBCA. The arrangement compromised the claims of secured lenders under a credit agreement and two swap agreements as well as the claims of convertible debenture holders. The arrangement also effected a significant dilution of shareholders, but preserved an equity stake in the continuing corporation for these shareholders. In addition, the Court granted a temporary stay of proceedings against the applicant corporations as well as impleaded parties in the U.S., Europe, and Mexico. In March 2010, the U.S. Bankruptcy Court for the District of Delaware granted an order enforcing the arrangement in the U.S., under Chapter 15 of the U.S. Bankruptcy Code.

Other than as set out below, no proposed director has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

Mr. Scott entered into a settlement agreement with the ASC on February 6, 2009 with respect to allegations that Mr. Scott, along with certain other directors of High Plains acted contrary to the public interest in connection with their inadequate rectification of incorrect production information disclosed to the public in press releases issued by High Plains between July 2005 and January 2006. Mr. Scott and each of the other respondents to the settlement agreement were ordered to pay \$25,000 to the ASC, of which \$5,000 was a payment towards investigation costs. The ASC noted in the settlement agreement that Mr. Scott and the other directors were provided with false information by management of High Plains and thus had no knowledge of the untrue statements in certain press releases issued by management in late 2005, until January 30, 2006, at the earliest. The ASC also noted that each of the subject directors, upon being made aware of the potential problem with High Plains' reported production, made substantial efforts and committed significant amount of time in a good faith effort to resolving the problems and determining High Plains' actual production and noted that none of the subject directors had been previously sanctioned by the ASC, and each cooperated fully with staff in its investigation. As a result of the above, the TSXV and the TSX conducted their own reviews as to Mr. Scott's acceptability to serve as a director or officer of any respective listed issuer. They determined, in a letter written on January 20, 2010 by Compliance & Disclosure, that Mr. Scott must obtain written approval prior to occupying such post and the TSXV determined that he should complete one half day workshop "Simplifying Timely Disclosures", which he successfully completed on April 26, 2010 and further that any TSXV listed corporation on whose board he sits implement a written disclosure policy.

## **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be called upon to nominate and reappoint the firm of KPMG LLP, Chartered Professional Accountants, Suite 1400, 100 New Park Place, Vaughan, Ontario L4K 0J3 as auditor of the Corporation to serve until the close of the next annual general meeting of shareholders, at a remuneration to be fixed by the Directors. KPMG LLP, Chartered Professional Accountants, was first appointed as auditor of the Corporation on June 11, 2018.

**The Directors recommend that Shareholders vote FOR the appointment of KPMG LLP, Chartered Professional Accountants, as the Corporation's auditor, at a remuneration to be fixed by the Directors.**

Unless otherwise directed, it is the intention of the management designees to vote the proxies in favour of an ordinary resolution to appoint the firm of KPMG LLP, Chartered Professional Accountants, to serve as auditor until the next annual meeting of the shareholders and to authorize the Directors to fix its remuneration as such.

The information required by Form 52-110F1 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, including information regarding the fees billed to the Corporation by KPMG LLP, Chartered Professional Accountants, Vaughn, Ontario, is contained in the annual information form of the Corporation for the year ended December 31, 2018, under the heading “Audit Committee Information”, an electronic copy of which is available on the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

## COMPENSATION OF EXECUTIVE OFFICERS

The Board has assessed the Corporation’s compensation plans for its executive officers to ensure alignment with the Corporation’s business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has adopted a policy restricting its corporate officers or directors from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its corporate officers or directors. To the knowledge of the Corporation, none of the corporate or directors have purchased such financial instruments.

### Compensation Discussion and Analysis

This section provides details regarding the Corporation’s approach to executive compensation by outlining the processes and decisions supporting the determination of the amounts the Corporation paid to its NEOs. While this discussion relates to the NEOs, the other executives of the Corporation participate in the same plans and are subject to a similar process.

The Board’s responsibilities relating to the compensation and retention of executive officers include, but are not limited to:

- setting policies for remuneration of executive officers;
- reviewing the recommendations of the Compensation Committee and approving of salary, bonus, and other benefits, direct or indirect, and any change-of-control packages of the CEO;
- considering recommendations of the CEO and Compensation Committee and setting the terms and conditions of employment including, approving the salary, bonus, and other benefits, direct or indirect, and any change-of-control packages, of the executive officers of the Corporation; and
- overseeing the administration of the Corporation’s compensation plans, including its Share Option Plans, DSU Plan, RSU Plan and such other compensation plans or structures as are adopted by the Corporation from time to time.

The following executive compensation principles guide the Board in fulfilling its roles and responsibilities in the design and ongoing administration of the Corporation’s executive compensation program:

- compensation levels and opportunities must be market competitive to attract and retain qualified and experienced executives, while being fair and reasonable to Shareholders;
- compensation must incorporate an appropriate balance of short and long-term rewards; and
- compensation programs must align executives’ long-term financial interests with those of Shareholders by providing equity-based incentives.

The Compensation Committee was established on January 2, 2018 to assist the Board in fulfilling its obligations relating to human resource and compensation matters. The Compensation Committee’s mandate includes:

- setting policies for senior officers’ remuneration;
- reviewing and approving and recommending to the Board salary, bonus, and other benefits of the CEO;
- considering the recommendations of the CEO regarding compensation of the key executives of the Corporation; and
- overseeing the administration of the Corporation’s compensation plans, including the Share Option Plans.

The Corporation reviews compensation programs of companies in its peer group to ensure that executive compensation is within the parameters of companies of a similar size and in the same industry and aims to position its executives in the 50<sup>th</sup> percentile relative to their peers. Levels of compensation are also established and maintained with the intent of attracting and retaining superior quality employees while ensuring that the levels are not contrary to the interests of Shareholders. In support of the fulfilment of the Compensation Committee’s role, in 2018 the committee retained the services of an external independent advisor skilled in executive compensation, Compensation Governance Partners (“CGP”) to assess the Corporation’s executive compensation program. In determining the appropriate peer group for 2018 in an emerging market sector, the Compensation Committee and consultant considered the following primary factors: consumer staples with a focus on similar operations; healthcare including a mix of organizations which focus on the development of pharmaceutical drugs or medications and those specializing in medical marijuana; and revenue of CAD\$3billion or less. The secondary factors included: Canadian organizations with some U.S. based organizations to balance the peer group from a sizing perspective; and organization with peer groups of direct competitors.

## Peer Group

Healthcare		Consumer Staples	
<b>Akorn Inc.</b>	<b>Hexo Corp.</b>	<b>Premium Brands Holdings Corp.</b>	<b>MGP Ingredients Inc.</b>
<b>Corcept Therapeutics Inc.</b>		<b>SunOpta Inc.</b>	<b>Andrew Peller Ltd.</b>
<b>Canopy Growth Corp.</b>		<b>Lassonde Industry Inc.</b>	<b>Village Farms International</b>
<b>Aurora Cannabis Inc.</b>		<b>AGT Food &amp; Ingredients Inc.</b>	<b>Corby Spirit and Wine Ltd.</b>
<b>Aphria Inc.</b>		<b>High Liner Foods Inc.</b>	
<b>Cantrust Holdings</b>		<b>Clearwater Seafoods Inc.</b>	

The Corporation’s general executive compensation philosophy is, whenever possible, to pay its executive officers “base” compensation in the form of salaries that are competitive in comparison to those earned by executive officers holding comparable positions with other Canadian entities similar to the Corporation while at the same time providing its executive officers with the opportunity to earn above average “total” compensation through the Share Option Plans and other equity-based compensation structures.

The Corporation’s executive compensation program is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long term. For NEOs, the compensation program is designed to provide a larger portion of variable incentives tied to corporate performance. NEO compensation includes base salary, benefits, and long-term incentives. Salaries are a base level of compensation designed to attract and retain executive officers with the appropriate skills and experience. Grants through the Corporation’s long-term incentive plans are designed to provide incentives to increase shareholder value over the longer term and thereby better align executive compensation with the interests of Shareholders. Perquisites and benefits do not comprise of a significant part of our NEO’s overall compensation.

Each element of executive compensation is carefully considered by the Board to ensure that there is the right mix of short-term and long-term incentives for the purpose of achieving the Corporation’s goals and objectives.

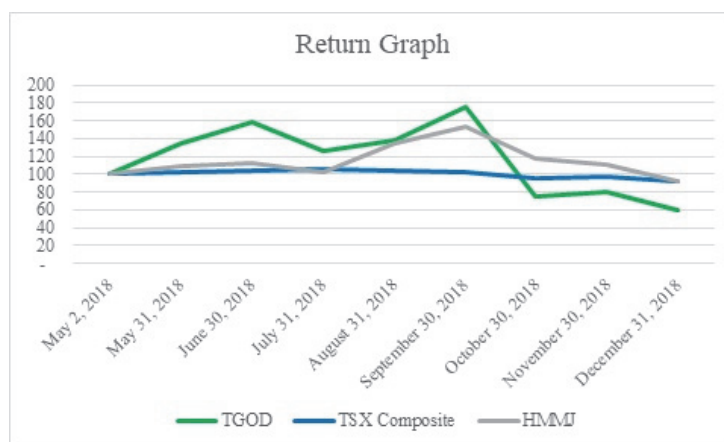
### *Base Salary*

A NEO’s base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive’s performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each executive officer is determined by the Board based on an assessment by the Board of his or her sustained performance and consideration of competitive compensation levels for the markets in which the Corporation operates. In making its determinations, the Board also considers the particular skills and experience of the individual. A final determination on executive compensation, including salary, is made by the Board in its sole discretion and its knowledge of the industry and geographic markets in which the Corporation operates. The Board does not use any type of quantitative formula to determine the base salary level of any of the NEOs.

Base salaries are reviewed annually to ensure that they properly reflect a balance of market conditions, the levels of responsibility and accountability of each individual, their unique experience, skills and capability and level of sustained performance.

*Market Performance – Shareholder Return Performance Graph*

The following is a line graph that compares (a) the yearly cumulative total shareholder return on the Corporation’s common shares with (b) the cumulative total return of the TSX Composite index and (c) the Horizons Marijuana Life Sciences Index (“HMMJ index”) for the period of time indicated, assuming an initial investment of \$100, from the date of public listing May 2, 2018 until December 31, 2018. The trend shown in the graph does not necessarily correspond to the Corporation’s compensation to its NEOs for the financial year ended December 31, 2018 or any prior fiscal periods. The trading price of the Corporation’s common shares is subject to fluctuation based on several factors, many of which are outside the control of the Corporation. In determining compensation, the Corporation strives to be competitive in order to attract and retain talented high-achievers capable of achieving the Corporation’s strategic and performance objectives.



<i>Comparable</i>	<i>May 2, 2018</i>	<i>June 30, 2018</i>	<i>September 30, 2018</i>	<i>December 31, 2018</i>
<b><i>TGOD.TO</i></b>	<i>100</i>	<i>158</i>	<i>176</i>	<i>60</i>
<b><i>TSX Composite</i></b>	<i>100</i>	<i>104</i>	<i>103</i>	<i>92</i>
<b><i>HMMJ.TO</i></b>	<i>100</i>	<i>113</i>	<i>154</i>	<i>92</i>

*Option Based Awards*

The Option component of executive officers’ compensation is intended to advance the interests of the Corporation by encouraging executive officers to remain associated with the Corporation and providing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. Grants under the Share Option Plans are intended to provide long-term awards linked directly to the market value performance of the Corporation’s Common Shares. The Board reviews management’s recommendations and Options are granted according to the specific level of responsibility of the particular executive and the number of Options for each level of responsibility is determined by the Board.

The number of outstanding Options is considered by the Board when determining the number of Options to be granted in any particular year due to the limited number of Options which are available for grant under its Share Option Plan.

Refer to the heading “*Securities Authorized for Issuance under Equity Compensation Plans – Equity Compensation Plan Information*” below for the details, concerning the options outstanding pursuant to the Corporation’s Share Option Plans.

## Annual Incentives

The Board and the Compensation Committee of the Board believe that incentive compensation motivates individual performance to maximize shareholder value and aligns executive officer performance with the Corporation's objectives and shareholder interests.

The Board has not approved a bonus plan for its executives and no year-end bonuses were awarded to executives in 2018. Mr. Robert Anderson, however, did receive a cash performance bonus of \$700,000 during 2018 on a discretionary basis for his contributions as CEO and Co-Chairman of the Board of the Corporation.

On January 2, 2018 the Board granted units, each unit comprised of one Common Share and one-half of one Common Share Purchase Warrant with each whole Share Purchase Warrant being exercisable for one Common Share of the Corporation at an exercise price of \$3.00. Units were granted as follows: 7,000 to Amy Stephenson, former contract CFO indirectly through 1613240 Ontario Ltd. ("**240 Ontario**"), a company owned and controlled by Ms. Stephenson, 108,500 to Marc Bertrand, director, and 152,000 to Jeffrey Scott, director, vesting as to 1/6 every six months commencing July 2, 2018. Of the 7,000 units granted to Ms. Stephenson 1,120 vested prior to her departure from the Corporation and the remaining 5,880 units were cancelled. To date Mr. Bertrand's units have vested 17,360 bi-annually for total vesting in 2018 of 34,720 units and Mr. Scott's units have vested 24,320 bi-annually for total vesting in 2018 of 48,640 units.

## Compensation Criteria

As described in this Information Circular, the compensation policy for the Corporation's directors and NEOs is primarily tied to financial performance of the business and not specifically to Common Share performance. See "*Statement of Executive Compensation*" below.

## STATEMENT OF EXECUTIVE COMPENSATION

During the fiscal year ended December 31, 2018, the NEOs were: Brian Athaide, CEO and former CFO; Sean Bovington, CFO; Csaba Reider, President; Michael Gibbons, Vice President of Sales; Marie-Josée Lafrance, Vice President of Human Resources; Robert Anderson, former CEO; Amy Stephenson, former contract CFO; and Julia Golubovskaya, former interim CFO.

## Summary Compensation Tables

The table below summarizes the compensation received by the NEOs for the fiscal periods ended December 31, 2018, December 31, 2017 and December 31, 2016.

Name and principal position	Year <sup>(1)</sup>	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plan <sup>(2)</sup> (\$)	Long-term incentive plans (\$)			
Brian Athaide <sup>(3)</sup> CEO and Director, Former CFO	2018	229,437	Nil	3,508,385	Nil	Nil	Nil	12,705	3,750,527
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sean Bovington <sup>(4)</sup> CFO	2018	49,359	Nil	1,462,005	Nil	Nil	Nil	79	1,511,443
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



Name and principal position	Year <sup>(1)</sup>	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plan <sup>(2)</sup> (\$)	Long-term incentive plans (\$)			
Csaba Reider <sup>(5)</sup> <i>President</i>	2018	284,965	Nil	909,590	Nil	Nil	Nil	10,500	1,205,055
	2017	133,333	Nil	615,150	100,000	Nil	Nil	Nil	848,483
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michael Gibbons <sup>(6)</sup> <i>Vice President, Sales</i>	2018	227,234	Nil	992,280	Nil	Nil	Nil	Nil	1,219,514
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Marie-Josée Lafrance <sup>(7)</sup> <i>Vice President, Human Resources</i>	2018	106,929	Nil	987,460	Nil	Nil	Nil	Nil	1,094,389
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Robert Anderson <sup>(8)</sup> <i>Former CEO and Former Director</i>	2018	1	Nil	Nil	700,000	Nil	Nil	Nil	700,001
	2017	1	2,825,000	328,527	Nil	Nil	Nil	Nil	3,153,528
	2016	1	Nil	Nil	Nil	Nil	Nil	Nil	1
Amy Stephenson <sup>(9)</sup> <i>Former Contract CFO</i>	2018	42,675	11,550	124,035	Nil	Nil	Nil	Nil	178,210
	2017	29,999	15,000	348,412	Nil	Nil	Nil	60,000	453,411
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Julia Golubovskaya <sup>(10)</sup> , <i>Vice President, Finance and former interim CFO</i>	2018	124,741	Nil	786,050	Nil	Nil	Nil	Nil	910,791
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The Corporation became a reporting issuer on May 2, 2018.
- (2) Options are valued using the Black-Scholes option-pricing model as described in the Corporation's audited consolidated financial statements for the years ended December 31, 2018 and December 31, 2017. The Black-Scholes model is an acceptable model used in international financial reporting standards. These amounts represent the fair value of the Options at the date of grant. Options granted are subject to a vesting schedule determined by the Board at the date of grant. See the Corporation's annual financial statements for the year ended December 31, 2018, available on SEDAR.
- (3) Mr. Athaide is the current CEO of the Corporation. He was appointed CEO on July 1, 2018 to replace Mr. Anderson when he resigned. He was formerly the CFO of the Corporation, appointed on March 19, 2018. He resigned as CFO on July 1, 2018 when he became CEO. Mr. Athaide's annualized salary was \$315,000, then increased to \$350,000 effective April 1, 2019. Mr. Athaide also has a \$1,500 monthly commuting allowance.
- (4) Mr. Bovingdon was appointed CFO on October 22, 2018. Mr. Bovingdon's annualized salary was \$250,000, then increased to \$285,000 effective April 1, 2019.
- (5) Mr. Reider was appointed President of the Corporation on May 1, 2017. Mr. Reider's annualized salary is \$300,000. Mr Reider also has a \$1,500 monthly commuting allowance.
- (6) Mr. Gibbons was appointed Vice President, Sales on March 9, 2018. His annualized salary is \$260,000.
- (7) Ms. Lafrance was appointed Vice President, Human Resources in July 2018 and named a non-executive officer on October 31, 2018. Her annualized salary is \$200,000.
- (8) Mr. Anderson was appointed as CEO on November 24, 2016 and as Co-Chairman of the Board on January 2, 2018. Mr. Anderson resigned both as an officer and director of the Corporation on July 1, 2018. In the period from January 1, 2018 to November 7, 2018, he received a \$700,000 performance

bonus as compensation for achieving a performance milestone during his tenure as CEO and as a director of the Corporation. On August 10, 2018, the Board accelerated the 391,200 Options granted to Mr. Anderson which were unvested at the time of his resignation. The accelerated Options had an accounting value to the Corporation of \$60,000.

- (9) Ms. Stephenson was appointed contract CFO on September 22, 2017 and resigned as contract CFO on March 19, 2018. She remained as Contract Vice President, Finance until June 1, 2018 when she left the Corporation. In the fiscal year ended December 31, 2017, a total of \$60,000 was paid to 240 Ontario, a company owned and controlled by Ms. Stephenson, in respect of her services to the Corporation.
- (10) Ms. Golubovskaya was appointed interim CFO on July 1, 2018 taking over the position from Mr. Athaide. She resigned as interim CFO on October 22, 2018 when Mr. Bovingdon was appointed CFO. Ms. Golubovskaya had an annualized income of \$185,000, then increased to \$200,000 effective April 1, 2019.

## Compensation Oversight

The Board considers the compensation, including grants of equity-based compensation, to directors and officers of the Corporation.

Compensation oversight responsibilities are also carried out by the Compensation Committee. The Compensation Committee reviews, assesses and approves the compensation package of the CEO and considers the CEO's compensation package recommendations for other key executives of the Corporation. Employment contracts or arrangements with the CEO and any key executives are reviewed by the Compensation Committee. Overseeing the administration of the Corporation's compensation plans is also the responsibility of the Compensation Committee. Director compensation is reviewed by the Compensation Committee and recommendations are made to the Board.

The Compensation Committee is also responsible for reviewing compensation policies, processes and new compensation plans and making recommendations to the Board.

## Incentive Plan Awards

During the fiscal year ended December 31, 2018, the Corporation granted 8,026,000 Options with exercise prices ranging from \$1.65 and \$6.91 per Common Share, expiring between January 8, 2021 and December 14, 2023. The Options are subject to certain vesting conditions over three years from the date of grant, based on years of service and share price appreciation.

The Corporation records compensation expense for the fair value of the Options granted under its Share Option Plans using the Black-Scholes option-pricing model. This model determines the fair value of Options granted and amortizes it to earnings over the vesting period in accordance with international financial reporting standards ("IFRS").

### Option-based Awards for the fiscal year ended December 31, 2018

The Corporation granted an aggregate of 3,425,000 option-based awards and an aggregate of 1,120 share-based awards to the NEOs during the fiscal year ended December 31, 2018. The following table sets out all option-based and share-based awards outstanding at December 31, 2018 for each NEO.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date mm/dd/yyyy	Value of unexercised in-the-money Options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Brian Athaide <sup>(2)</sup> CEO and Director, Former CFO	750,000	3.65	03/28/2021	Nil	Nil	Nil	Nil
	550,000	5.25	08/13/2023	Nil	Nil	Nil	Nil
Sean Bovingdon <sup>(3)</sup> CFO	450,000	4.53	10/22/2023	Nil	Nil	Nil	Nil
Csaba Reider President	510,000	1.15	06/01/2020	668,100	Nil	Nil	Nil
	550,000	3.65	03/28/2021	Nil	Nil	Nil	Nil

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date mm/dd/yyyy	Value of unexercised in-the-money Options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Michael Gibbons <sup>(4)</sup> <i>Vice President, Sales</i>	600,000	3.65	03/28/2021	Nil	Nil	Nil	Nil
Marie-Josée Lafrance <sup>(5)</sup> <i>Vice President, Human Resources</i>	200,000	6.83	06/26/2023	Nil	Nil	Nil	Nil
Robert Anderson, <i>Former CEO and Former Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Amy Stephenson <sup>(6)</sup> <i>Former Contract CFO</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Julia Golubovskaya <sup>(7)</sup> <i>Vice President, Finance and former interim CFO</i>	250,000	\$4.12	05/28/2023	Nil	Nil	Nil	Nil

Notes:

- (1) The value of unexercised in-the-money Options is based on the difference between the price of the Common Shares as of December 31, 2018 (\$2.46) and the exercise price of the applicable options.
- (2) On March 22, 2019, Mr. Athaide was awarded 400,000 options with an exercise price of \$5.13.
- (3) On March 22, 2019, Mr. Bovingdon was awarded 350,000 options with an exercise price of \$5.13.
- (4) On March 22, 2019, Mr. Gibbons was awarded 100,000 options with an exercise price of \$5.13.
- (5) On March 22, 2019, Ms. Lafrance was awarded 100,000 options with an exercise price of \$5.13.
- (6) On June 1, 2018 when Ms. Stephenson left the Corporation she held 485,400 unvested Options, which were immediately cancelled on her departure.
- (7) On March 22, 2019, Ms. Golubovskaya was awarded 50,000 options with an exercise price of \$5.13.

*Value Vested or Earned During the fiscal year ended December 31, 2018*

The following table sets out all incentive plan values vested (or earned) during the fiscal year ended December 31, 2018 for each NEO:

<b>Named Executive Officer</b>	<b>Option-based awards – Value vested during the period<sup>(1)</sup> (\\$)</b>	<b>Share-based awards – Value vested during the period (\\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the period (\\$)</b>
Brian Athaide <i>CEO and Director Former CFO</i>	Nil	Nil	Nil
Sean Bovingdon <i>CFO</i>	Nil	Nil	Nil
Csaba Reider <i>President</i>	824,400	Nil	Nil
Michael Gibbons <i>Vice President, Sales</i>	Nil	Nil	Nil
Marie-Josée LaFrance <i>Vice President, Human Resources</i>	Nil	Nil	Nil
Robert Anderson, <i>Former CEO and Former Director</i>	2,853,152	Nil	Nil
Amy Stephenson <i>Former Contract CFO</i>	219,392	4,088	Nil
Julia Golubovskaya <i>Vice President, Finance and former interim CFO</i>	Nil	Nil	Nil

Note:

<sup>(1)</sup> The value of vested Options that would have been realized if exercised on the vesting date is determined by the difference between the deemed value of the underlying securities and the exercise price of the Options on the vesting date.

### **Employment Agreements, Termination and Change in Control Benefits**

The Corporation currently has employment agreements with each of its NEOs as follows:

#### *Brian Athaide*

The Corporation entered into an employment agreement with Brian Athaide made effective March 9, 2018 and amended August 30, 2018. Under the terms of the amended agreement, Mr. Athaide agreed to act as CEO to the Corporation. In consideration for his services, the Corporation agreed to pay Mr. Athaide an annual base salary of \$315,000, a discretionary bonus based on certain performance targets, a one-time grant of 550,000 Options and a commuting allowance of \$1,500 per month. The agreement may be terminated upon Mr. Athaide's death or disability, by the Corporation at any time with or without cause, or by Mr. Athaide's voluntary termination by giving the Corporation not less than three weeks of prior notice. While employed by the Corporation and for a period of 6 months after the termination of employment for any reason, Mr. Athaide is subject to non-compete and non-solicit covenants. Mr. Athaide's entitlements upon termination without cause will be a severance amount equivalent to 24 months base salary, bonus and benefits. In the event that the Corporation undergoes a change of control while Mr. Athaide is employed, following receipt of Mr. Athaide's signed release he will be entitled to a severance amount equivalent to 24 months base salary, bonus and benefits if, within 24 months of the change of control, his employment is terminated for any reason other than just cause or Mr. Athaide resigns for good reason. If such change of control and termination occurred as at December 31, 2018, Mr. Athaide would have been entitled to a payment valued at \$996,930.<sup>1</sup>

<sup>1</sup> Using share price value as of December 31, 2018.

### *Sean Bovingdon*

The Corporation entered into an employment agreement with Sean Bovingdon made effective October 22, 2018. Under the terms of the agreement, Mr. Bovingdon agreed to act as CFO to the Corporation. In consideration for his services, the Corporation agreed to pay Mr. Bovingdon an annual base salary of \$250,000 and a one-time grant of 450,000 Options. While employed by the Corporation and for a period of 12 months after the termination of employment for any reason, Mr. Bovingdon is subject to non-compete and non-solicit covenants. The agreement provides that Mr. Bovingdon may terminate his employment with the Corporation at any time by providing the Corporation with four weeks' notice in writing. The Corporation may terminate the agreement at any time with or without cause. Mr. Bovingdon's entitlements upon termination without cause will be a severance amount equivalent to twelve months base salary, bonus and benefits. In the event that the Corporation undergoes a change of control while Mr. Bovingdon is employed, following receipt of Mr. Bovingdon's signed release he will be entitled to a severance amount equivalent to twelve months base salary, bonus and benefits if, within two years of the change of control, his employment is terminated for any reason other than just cause. If such change of control and termination occurred as at December 31, 2018, Mr. Bovingdon would have been entitled to a payment valued at \$250,000.<sup>2</sup>

### *Csaba Reider*

The Corporation entered into an employment agreement with Csaba Reider made effective May 1, 2017 and amended July 11, 2018. Under the terms of the amended agreement, Mr. Reider agreed to act as President of the Corporation. In consideration for his services, the Corporation agreed to pay Mr. Reider an annual base of \$300,000, a bonus based on certain milestones, which are currently undefined, a one-time grant of 550,000 Options of the Corporation and a commuting allowance of \$1,500 per month. The agreement may be terminated upon Mr. Reider's death or disability, by the Corporation at any time with or without cause, or by Mr. Reider's voluntary termination by giving the Corporation not less than four weeks of prior notice. Mr. Reider's entitlements upon termination without cause will be a severance amount equivalent to 24 months base salary, bonus and benefits. In the event that the Corporation undergoes a change of control while Mr. Reider is employed, following receipt of Mr. Reider's signed release he will be entitled to a severance amount equivalent to 24 months base salary, bonus and benefits if, within two years of the change of control, his employment is terminated for any reason other than just cause or if Mr. Reider resigns for good reason. If such change of control and termination occurred as at December 31, 2018, Mr. Reider would have been entitled to a payment valued at \$1,779,453.<sup>3</sup>

### *Michael Gibbons*

The Corporation entered into an employment agreement with Michael Gibbons made effective March 23, 2018. Under the terms of the agreement, Mr. Gibbons agreed to act as Vice President of Sales to the Corporation. In consideration for his services, the Corporation agreed to pay Mr. Gibbons an annual starting base salary of \$260,000 and a one-time grant of 600,000 Options of the Corporation. While employed by the Corporation and for a period of 6 months after the termination of employment for any reason, Mr. Gibbons is subject to non-compete and non-solicit covenants. The agreement may be terminated upon Mr. Gibbons' death or disability, by the Corporation at any time with or without cause, or by Mr. Gibbons' voluntary termination by giving the Corporation not less than three weeks of prior notice. Mr. Gibbons' entitlements upon termination without cause will be a severance amount equivalent to 12 months base salary. In the event that the Corporation undergoes a change of control while Mr. Gibbons is employed, following receipt of Mr. Gibbons' signed release he will be entitled to a severance amount equivalent to 12 months base salary, bonus and benefits if, within two years of the change of control, his employment is terminated for any reason other than just cause or if Mr. Gibbons resigns for good reason. If such change of control and termination occurred as at December 13, 2018, Mr. Gibbons would have been entitled to a payment valued at \$264,600.<sup>4</sup>

### *Marie-Josée Lafrance*

The Corporation entered into an employment agreement with Marie-Josée Lafrance made effective June 18, 2018. Under the terms of the agreement, Ms. Lafrance agreed to act as Vice President of Human Resources to the Corporation. In consideration for her services, the Corporation agreement to pay Ms. Lafrance an annual starting base salary of \$200,000 and a one-time grant of 200,000 Options of the Corporation. While employed by the Corporation and for a period of 6 months after the termination of employment for any reason, Ms. Lafrance is subject to non-compete and non-solicit covenants. The

---

<sup>2</sup> Using share price value as of December 31, 2018.

<sup>3</sup> Using share price value as of December 31, 2018.

<sup>4</sup> Using share price value as of December 31, 2018.

agreement may be terminated upon Ms. Lafrance's death or disability, by the Corporation at any time with or without cause, or by Ms. Lafrance's voluntary termination by giving the Corporation not less than 3 weeks of prior notice. Ms. Lafrance's entitlements upon termination without cause will be a severance amount equivalent to 12 months base salary. In the event that the Corporation undergoes a change of control while Ms. Lafrance is employed, following receipt of Ms. Lafrance's signed release she will be entitled to a severance amount equivalent to 12 months base salary, bonus and benefits, if, within two years of the change of control, her employment is terminated for any reason other than just cause or if Ms. Lafrance resigns for good reason. If such change of control and termination occurred as at December 31, 2018, Ms. Lafrance would have been entitled to a payment valued at \$205,411.<sup>5</sup>

### Pension Plan Benefits

The Corporation has no pension plans that provide for payments or benefits at, following, or in connection with the retirement of the NEOs.

### Directors' and Officers' Liability Insurance

The Corporation maintains an insurance policy with respect to directors' and officers' liability covering directors and officers of the Corporation and its subsidiaries as a group. The policy provides coverage up to an annual limit of \$30,000,000. The annual premium for the policy period is \$360,180. The Corporation's coverage under the policy is for a period of 12 months until May 2, 2019, with terms and premiums to be established at each renewal.

### Director Compensation

Effective January 1, 2019, the Board approved the following annual cash compensation structure for the directors:

Services Provided	Compensation Payable (\$)
Chairman.....	\$100,000 per year
Independent director.....	\$50,000 per year
Chair, Audit Committee.....	\$20,000 per year
Chair, Other Committees.....	\$10,000 per year
Board Meeting Fees.....	\$1,000 per meeting
Committee Meeting Fees.....	\$1,000 per meeting

#### *Director Compensation Table for fiscal year ended December 31, 2018*

Non-employee directors of the Corporation were paid fees in their capacity as director during the fiscal year ended December 31, 2018 as set out in the following table.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(5)</sup>	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All other Compensation (\$)	Total (\$)
Marc Bertrand <sup>(1)</sup>	38,500	179,025	Nil	Nil	Nil	Nil	217,525
Nicholas G. Kirton	43,000	Nil	587,150	Nil	Nil	Nil	630,150
Jeffrey J. Scott <sup>(2)</sup>	60,832	250,800	406,215	Nil	Nil	Nil	717,847
Caroline MacCallum	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<sup>5</sup> Using share price value as of December 31, 2018.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(5)</sup>	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All other Compensation (\$)	Total (\$)
Jacques Desserault	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Doherty <sup>(3)</sup>	20,666	Nil	57,883	Nil	Nil	Nil	78,549
Cameron Battley <sup>(4)</sup>	18,666	Nil	413,450	Nil	Nil	Nil	432,116

Notes:

- (1) On January 2, 2018, Marc Bertrand was issued 108,500 units comprised of one Common Shares and one-half of one Common Share Purchase Warrant with each whole Share Purchase Warrant exercisable for one Common Share of the Corporation at an exercise price of \$3.00.
- (2) On January 2, 2018, Jeffrey J. Scott was issued 152,000 units comprised of one Common Share and one-half of one Common Share Purchase Warrant, with each whole Common Share Purchase Warrant with each whole Share Purchase Warrant exercisable for one Common Share of the Corporation at an exercise price of \$3.00.
- (3) Mr. Doherty resigned from the Board effective September 24, 2018. In his place Mr. Athaide was appointed to the Board effective September 24, 2018. Mr. Athaide does not receive any compensation in his capacity as a director.
- (4) Cameron Battley was granted 250,000 Options on March 28, 2018, all of which were cancelled when he resigned as director on September 26, 2018.
- (5) Options are valued using the Black-Scholes option-pricing model as described in the Corporation's audited consolidated financial statements for the years ended December 31, 2018 and December 31, 2017. The Black-Scholes model is an acceptable model used in international financial reporting standards. These amounts represent the fair value of the Options at the date of grant. Options granted are subject to a vesting schedule determined by the Board at the date of grant. See the Corporation's annual financial statements for the year ended December 31, 2018, available on SEDAR.

#### *Option-Based Awards for the fiscal year ended December 31, 2018*

The following table sets out all option-based awards outstanding at December 31, 2018, for each non-employee director.

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date (mm/dd/yyyy)	Value of unexercised in-the-money Options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share based awards not paid out or distributed (\$)
Marc Bertrand	153,000	1.15	06/01/2020	200,430	73,780	181,498	Nil
	315,000	1.15	10/02/2020	412,650	Nil	Nil	Nil
Nicholas G. Kirton	250,000	1.65	01/08/2021	202,500	Nil	Nil	Nil
	250,000	3.65	03/28/2021	Nil	Nil	Nil	Nil
Jeffrey J. Scott	450,000	1.15	10/02/2020	589,500	103,360	254,265	Nil
	150,000	1.65	03/28/2021	121,500	Nil	Nil	Nil
David Doherty <sup>(2)</sup>	271,200	0.50	02/07/2020	531,552	Nil	Nil	Nil
	35,000	3.65	03/28/2021	Nil	Nil	Nil	Nil
Cameron Battley <sup>(3)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The value of unexercised in-the-money Options is based on the difference between the price of the Common Shares as of December 31, 2018 (\$2.46) and the exercise price of the applicable options.

<sup>(2)</sup> Mr. Doherty resigned as a director of the Corporation effective September 24, 2018.

<sup>(3)</sup> Mr. Cameron Battley resigned as a director of the Corporation effective September 26, 2018.

<sup>(4)</sup> Subsequent to December 31, 2018, Jeff Scott, Nick Kirton and Marc Bertrand were issued 250,000, 150,000 and 150,000 options, respectively, with an exercise price of \$5.13.

<sup>(5)</sup> Dr. MacCallum and Mr. Desserrault became directors of the Corporation effective January 7, 2019 and were each awarded 300,000 Options on January 8, 2019 with an exercise price of \$2.60.

#### *Value Vested or Earned for the fiscal year ended December 31, 2018*

The following table sets out all incentive plan values vested (or earned) during the fiscal year ended December 31, 2018 for each non-employee director:

<b>Name</b>	<b>Option-based awards – Value vested during the period<sup>(1)</sup> (\$)</b>	<b>Share-based awards – Value vested during the period (\$)</b>	<b>Non-equity incentive plan compensation - Value earned during the period (\$)</b>
Marc Bertrand	899,520	Nil	Nil
Nicholas G. Kirton	218,000	Nil	Nil
Jeffrey J. Scott	913,440	Nil	Nil
Caroline MacCallum	Nil	Nil	Nil
Jacques Desserrault	Nil	Nil	Nil

Note:

<sup>(1)</sup> The value of vested Options that would have been realized if exercised on the vesting date is determined by the difference between the deemed value of the underlying securities of \$2.46, being the price of the Common Shares as of market close on December 31, 2018 and the exercise price of the Options on the vesting date.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

### **Equity Compensation Plan Information**

The following table sets out equity compensation plan information at fiscal year ended December 31, 2018:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding Options under equity compensation plans (a)</b>	<b>Weighted-average exercise price of outstanding Options (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)<sup>(1)</sup></b>
Equity Compensation Plans Approved by Shareholders at December 31, 2018	12,430,732	2.83	14,566,930
Equity Compensation Plans not approved by securityholders – 2018 Plan	N/A	N/A	N/A

Note:

<sup>(1)</sup> As at December 31, 2018, there were 269,976,624 issued and outstanding Common Shares, allowing for the reserve of up to 26,997,662 Common Shares for exercise of Options and RSUs. As at May 8, 2019, there were 275,094,271 issued and outstanding Common Shares, allowing for the reserve of up to 27,509,427 Common Shares for exercise of Options and RSUs.

### **Share Option Plan**

The Corporation adopted the Legacy Option Plan on January 31, 2018.

On November 7, 2018, the Corporation adopted the New Option Plan, which superseded the Legacy Option Plan. All Options granted under the Legacy Option Plan that were outstanding on November 7, 2018 are now governed by the terms of the New Option Plan. There were 5,200,732 Options issued and outstanding pursuant to the Legacy Option at such



time. No new grants of Options will be made under the Legacy Option Plan. Under the New Option Plan, Options may be granted for up to 10% of the Common Shares outstanding at the time of grant, less any Common Shares reserved for issuance under the Corporation's other security-based compensation arrangements. As at December 31, 2018, total Common Shares underlying Options outstanding were 12,430,732, representing 4.60% of the issued and outstanding Common Shares as of December 31, 2018. As of December 31, 2018, there were 7,066,930 Common Shares underlying Options available for future grants under the New Option Plan, representing 2.62% of the issued and outstanding Common Shares as of such date.

#### *Material Terms of the New Option Plan*

The following is a summary of material terms of the New Option Plan.

**Eligible Persons.** Options may be granted to directors, officers, employees or consultants of the Corporation or any of its subsidiaries as determined by the Board as being eligible for participation in the New Option Plan.

**Plan Administrator.** As plan administrator, the Board is authorized to interpret the New Option Plan from time to time and to adopt, amend and rescind rules and regulations for carrying out the Plan. The interpretation and construction of any provision of the New Option Plan by the Board shall be final and conclusive. Administration of the New Option Plan shall be the responsibility of the appropriate officers of the Corporation and all costs in respect thereof shall be paid by the Corporation.

**Maximum Number of Shares Issuable.** The number of Common Shares issuable under the New Option Plan, together with all of the Corporation's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. In addition to this 10% cap,

- (a) The aggregate number of Common Shares issuable upon the exercise of all Options granted under the New Option Plan and under all other share compensation arrangement (pre-existing or otherwise) shall not exceed 10% of the issued and outstanding Common Shares as at the date of grant of each Option under the New Option Plan. If any Option granted hereunder shall expire, terminate for any reason in accordance with the terms of the New Option Plan or be exercised, Common Shares subject thereto shall again be available for the purpose of the New Option Plan.
- (b) The aggregate number of Common Shares which may be issuable at any time pursuant to the New Option Plan or any other share compensation arrangement (pre-existing or otherwise) to Insiders shall not exceed 10% of the Common Shares then outstanding.
- (c) The aggregate number of Common Shares which may be issued pursuant to the New Option Plan or any other share compensation arrangement (pre-existing or otherwise) to Insiders within a one-year period shall not exceed 10% of the Common Shares then outstanding.
- (d) Notwithstanding the rolling 10% maximum number available for reserve and issuance pursuant to all share compensation arrangements of the Corporation, the number of Common Shares that may be issued to U.S. residents pursuant to the exercise of Incentive Stock Options, is an aggregate maximum of 5,000,000 Common Shares.

**Exercise Price.** The exercise price per Common Share shall be, pursuant to TSX Policies, the market price being the volume weighted average trading price of the Common Shares, calculated by dividing the total value by the total volume of Common Shares traded on the TSX over the five (5) consecutive Trading Days immediately preceding the grant date of an Option.

**Vesting of Options.** Options granted pursuant to the New Option Plan shall vest and become exercisable by an Optionee at such time or times as may be determined by the Board, and may be made subject to performance conditions as the Board may determine at the time of granting such Options.

**Term of Options.** Subject to the blackout period provisions described below, the Option Period shall be determined by the Board at the time of granting the Options provided, however, that the Option Period must not extend beyond ten years from the grant date of the Option.

**Termination of Options.** Subject to any provisions with respect to vesting of Options in an Optionee's employment agreement with the Corporation, if an Optionee ceases to be an Eligible Person, other than as a result of termination for cause, any vested Option held by such Optionee at the date such person ceases to be an Eligible Person shall be exercisable only to the extent that the Optionee is entitled to exercise the vested Option on such date and only for 90 days thereafter (or such longer period as may be prescribed by law or as may be determined by the Board in its sole discretion) or prior to the expiration

of the Option Period in respect thereof, whichever is sooner. Subject to the provisions with respect to vesting of Options in an Optionee's employment agreement with the Corporation, in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, shall immediately terminate and shall no longer be exercisable as of the date of such termination, subject to the Board determining otherwise. Notwithstanding the foregoing, when an Optionee ceases to be an Eligible Person, the Board has discretion to accelerate the vesting of his/her Options and/or allow such Options to continue for a period beyond 90 days, except however, that such Options may not be extended beyond the expiry of their original Option Period. In the case of death or Disability (as defined in the New Option Plan) of an Optionee, the legal heirs or personal representatives of the Optionee, as the case may be, has up to a maximum of 12 months from the date of death or Disability to exercise all vested Options held by such Optionee.

***Termination of Options at Date of Death or Disability.*** Options not vested at date of death or Disability of an Optionee will terminate immediately without payment of consideration and without right of exercise.

***Assignability or Transferability of Options.*** Options are not assignable or transferable other than by will or by the applicable laws of descent, except to a Holding Company of the Optionee or by a Holding Company to the Optionee, with the consent of the Corporation. During the lifetime of an Optionee, all Options may only be exercised by the Optionee or such Holding Company.

***Exercise of Options.*** An Optionee may choose how he/she would like to exercise his/her options pursuant to the New Option Plan, including the following options:

- (1) the exercise from time to time by delivery to the Corporation of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised, which notice should be accompanied by payment in full of the exercise price of the Common Shares to be purchased and any amount required to be withheld for tax purposes. At the discretion of the Chief Financial Officer, a declaration of residency may also be required from an Optionee prior to the issuance of Common Shares. Certificates for such Common Shares issued pursuant to an exercise of Options shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. Unless otherwise determined by the Board, the Corporation shall not offer financial assistance regarding the exercise of an Option and any such financial assistance will require shareholder approval.
- (2) An Optionee may, by specifying in the applicable notice of exercise, elect the "cashless exercise" method with the assistance of a broker in order to facilitate the exercise of their vested Options, which "cashless exercise" procedure may include a sale of such number of Common Shares as is necessary to raise an amount equal to the aggregate exercise price for all Options being exercised by that Optionee under the notice of exercise. Pursuant to the notice of exercise, the Optionee may authorize the broker to sell Common Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the aggregate exercise price. In addition, the Optionee may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Common Shares issuable upon exercise of the Options as it determines as required to be sold by the Corporation, as agent for the Optionee, to satisfy any withholding obligations net of selling costs, promptly following which the Corporation shall issue the Common Shares underlying the number of Options as provided for in the notice of exercise. The Optionee shall comply with all procedures and policies that the Corporation may prescribe or determine to be necessary or advisable from time to time in connection with such "cashless exercise" broker-assisted exercise of options and any amounts required to be withheld for tax purposes.

***Blackout Period.*** A blackout period is any period of time during which a participant in the New Option Plan is unable to trade securities of the Corporation as a consequence of the implementation of a general restriction on such trading by an authorized officer or director pursuant to the Corporation's governance policies that authorize general and/or specific restrictions on trading by participants in circumstances where there may exist undisclosed material changes or undisclosed material facts in connection with the Corporation's affairs, but excludes any period where a participant is unable to trade securities by reason of a trading interruption imposed by an exchange or a securities regulator.

In the event that the expiry of an Option Period falls within, or within two (2) Trading Days after the end of, a trading blackout period imposed by or on the Corporation, the expiry date of such Option Period shall be automatically extended to the close of the 10th Trading Day following the end of the blackout period.

***Amendment, Modification or Termination of the New Option Plan.*** Subject to the requisite regulatory approvals, and Shareholder approval as prescribed under the New Option Plan and applicable TSX Policies, the Board may, from time to time, amend or revise the terms of the New Option Plan (including Options granted thereunder) or may discontinue the

New Option Plan at any time provided however that no such amendment may, in any manner, without the consent of the Optionee, materially adversely affect his or her rights under any Option theretofore granted under the New Option Plan.

The Board may, subject to receipt of requisite Shareholder and regulatory approval, make the following amendments to the New Option Plan (including Options granted thereunder):

- (i) any amendment to increase the maximum number of Common Shares issuable under the New Option Plan, other than as may be effected pursuant to the adjustment provisions provided in the New Option Plan;
- (ii) any amendment to remove or exceed the Insider participation limits of the Plan;
- (iii) any change to the definition of “Eligible Persons” that would have the potential of narrowing or broadening or increasing Insider participation;
- (iv) the addition of any form of financial assistance;
- (v) any amendment to a financial assistance provision that is more favourable to Eligible Persons;
- (vi) the addition of deferred or restricted share unit or any other provision which results in Eligible Persons receiving securities while no cash consideration is received by the Corporation;
- (vii) any amendment to the New Option Plan to permit Options to be transferred or assigned other than for normal estate settlement purposes;
- (viii) any amendment that reduces the exercise price or permits the cancellation and re-issuance of Options;
- (ix) any amendment that extends Options beyond the original Option Period of such Options;
- (x) any other amendments that may lead to significant or unreasonable dilution in the Corporation’s outstanding securities; and
- (xi) any reduction to the range of amendments requiring Shareholder and regulatory approval contemplated in the New Option Plan.

Subject to receipt where required, of requisite regulatory approval, the Board may, in its sole discretion without Shareholder approval, make all other amendments to the New Option Plan (including Options granted thereunder) that are not of the type contemplated above, including, without limitation:

- (i) amendments which are of a typographical, grammatical, clerical or of a housekeeping nature;
- (ii) the addition of or a change to vesting provisions of an Option or the New Option Plan;
- (iii) the addition or modification of a cashless exercise feature to the New Option Plan;
- (iv) a change to the termination provisions of an Option or the New Option Plan that does not entail an extension beyond the original Option Period; and
- (v) amendments necessary to suspend or terminate the New Option Plan.

Notwithstanding the provisions of the New Option Plan, the Corporation shall obtain requisite Shareholder approval in respect of amendments to the New Option Plan that are contemplated pursuant to the New Option Plan to the extent such approval is required by any applicable law or regulations.

***U.S. Optionees.*** Incentive Stock Options granted to Eligible Persons who are residents of the U.S. pursuant to the New Option Plan will be subject to TSX Policies as well as to the Code, in respect of U.S. tax regulations and withholding procedures.

#### *Option Plan Approval Frequency*

Pursuant to TSX Policies, the New Option Plan must be approved by the Shareholders every three years for continuation. Accordingly, it is expected the Board will present the New Option Plan to the Shareholders at its Shareholder meeting anticipated to be held in the second quarter of 2021 to approve the New Option Plan for continuation for a further three years.

### *TGOD Share-Based Incentive Plans*

To augment the Corporation's incentive compensation scheme, on November 7, 2018, the Corporation adopted a fixed number Restricted Share Unit Plan (the "RSU Plan") and a fixed number Non-Employee Directors Deferred Share Unit Plan (the "DSU Plan").

#### *Restricted Share Unit Plan*

##### *Material Terms of the Restricted Share Unit Plan*

The following is a summary of material terms of the RSU Plan.

##### *Eligible Participants*

The RSU Plan is administered by the Board, or the Compensation Committee of the Board or such other Committee of the Board as may be designated by the Board (in either case, the "Committee"). Employees and directors of the Corporation and its designated subsidiaries are eligible to participate in the RSU Plan. In accordance with the terms of the RSU Plan, the Corporation, under the authority of the Board through the Committee, will approve those employees and directors who are entitled to receive RSUs and the number of RSUs to be awarded to each Participant. RSUs awarded to Participants are credited to them by means of an entry in a notional account in their favour on the books of the Corporation. Each RSU awarded conditionally entitles the Participant to receive one Common Share (or the cash equivalent) upon attainment of the RSU vesting criteria.

##### *Vesting*

The vesting of RSUs is conditional upon the expiry of a time-based vesting period, which vesting period will be tied, at the sole discretion of the Committee, to achievement of specified performance criteria within the vesting period, as determined by the Committee at the time of grant of RSUs. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs shall be determined at the time of the grant by the Committee.

Once the RSUs vest to become vested share units pursuant to the RSU Plan, the Participant is entitled to receive the equivalent number of underlying Common Shares. In the event a cash dividend is paid to shareholders of the Corporation on the Common Shares while a Restricted Share Unit is outstanding, the Committee may, in its sole discretion, elect to credit each Participant with additional Restricted Share Units. In such case, the number of additional Restricted Share Units will be equal to the aggregate amount of dividends that would have been paid to the Participant if the Restricted Share Units in the Participant's account on the record date had been Common Shares divided by the Market Price of a Common Share on the date on which dividends were paid by the Corporation. If the foregoing shall result in a fractional Restricted Share Unit, the fraction shall be disregarded.

If RSUs are settled in cash, the amount shall be equal to the number of Common Shares in respect of which the Participant is entitled multiplied by the Market Price, as defined in the RSU Plan, and means, pursuant to TSX Policies, the volume weighted average trading price of the Common Shares, calculated by dividing the total value by the total volume of Common Shares traded on the TSX over the five (5) consecutive Trading Days immediately preceding the date on which the cash dividend is paid. The RSUs may be settled on the payout date, which shall be the third anniversary of the date of the grant or such other date as the Committee may determine at the time of the grant, which in any event shall be no later than the expiry date for such RSUs. The expiry date of RSUs will be determined by the Committee at the time of grant, or if no such determination is made, by December 31 in the calendar year the third anniversary of the date of grant occurs. However, the maximum term for all RSUs is two years after the Participant ceases to be an eligible director or eligible employee (as defined in the RSU Plan) of the Corporation. All unvested or expired RSUs, upon cancellation or expiry, are immediately available for future grant.

##### *Maximum Number of Common Shares Issued for RSUs*

RSUs may be granted in accordance with the RSU Plan provided the aggregate number of RSUs outstanding pursuant to the RSU Plan from time to time shall not exceed 5,000,000 Common Shares, which represent in aggregate 1.85% of the issued and outstanding Common Shares as of December 31, 2018. As at December 31, 2018, no RSUs were outstanding, representing 0% of the issued and outstanding Common Shares as of December 31, 2018.

The RSU Plan provides that the maximum number of Common Shares issuable to Insiders pursuant to the RSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the RSU Plan, together with any Common Shares issued to Insiders pursuant to any other share compensation arrangement of the Corporation within any one year period, will not exceed 10% of the total number of outstanding Common Shares.

### *Cessation of Entitlement*

Unless otherwise determined by the Corporation in accordance with the RSU Plan, RSUs which have not vested on a Participant's termination date shall terminate and be forfeited. If a Participant who is an employee ceases to be an employee as a result of termination of employment without cause, in such case, at the Corporation's discretion (unless otherwise provided in the applicable grant agreement), all or a portion of such participant's RSUs may be permitted to continue to vest, in accordance with their terms, during any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Corporation in its sole discretion. All forfeited RSUs are available for future grants.

### *Transferability*

Except as otherwise may be expressly provided for under the RSU Plan or pursuant to a will or by the laws of descent and distribution, no RSU and no other right or interest of a Participant is assignable or transferable.

### *Amendments to the RSU Plan*

Following receipt of Shareholder approval, the Board, or Committee pursuant to the RSU Plan, may from time to time in the absolute discretion of the Committee (without further shareholder approval), provided however that no such amendment may materially adversely affect the rights of a Participant under any RSU previously granted pursuant to the Plan, amend, modify and change the provisions of the RSU Plan or any outstanding RSU, including, without limitation:

- (i) amendments of a house keeping nature; and
- (ii) changes to the Restricted Period of any RSU.

Provided, however, that any amendment, modification or change to the provisions of the RSU Plan or any RSU outstanding pursuant to the RSU Plan, which would:

- (a) materially increase the benefits of the holder under the RSU Plan to the detriment of the Corporation and its shareholders;
- (b) increase the maximum number of Common Shares, other than by virtue of Section 5.06 of the RSU Plan, which may be issued pursuant to the RSU Plan;
- (c) reduce the range of amendments requiring shareholder approval contemplated in the RSU Plan;
- (d) permit RSUs to be transferred other than for normal estate settlement purposes;
- (e) change Insider participation limits in the RSU Plan, which would require disinterested shareholder approval; or
- (f) materially modify the requirements as to eligibility for participation in the RSU Plan;

shall only be effective upon such amendment, modification or change being approved by the shareholders of the Corporation, or by the disinterested shareholders, as the case may be. In addition, any such amendment, modification or change of any provision of the RSU Plan shall be subject to the approval, if required, by any regulatory authority having jurisdiction over the securities of the Corporation.

### *Non-Employee Directors Deferred Share Unit Plan*

The Board has also adopted the DSU Plan to further enhance the equity compensation available, particularly in this case for its non-employee directors.

The purpose of the DSU Plan is to provide non-employee directors with the opportunity to receive equity-based compensation and incentives, and thereby it: (i) increases the proprietary interests of the Participants in the Corporation, (ii) aligns the interests of such Participants with the interests of the Corporation's Shareholders, (iii) encourages such Participants to remain associated with the Corporation, and (iv) substitutes cash-based compensation with equity-based compensation.

### *Administration of Plan*

The Board or its Compensation Committee (in either case, the "Committee") shall administer the DSU Plan. The DSU Plan provides that non-employee directors may elect to receive up to 100% of their annual compensation amount as established from time to time by the Board in DSUs. A DSU is a unit credited to a Participant by way of a bookkeeping entry in the books of the Corporation, the value of each DSU is equivalent to one Common Share. All DSUs paid with respect to Annual Base Compensation or otherwise awarded by the Committee will be credited to the non-employee director's DSU

Account when such Annual Base Compensation is payable or discretionary grant is made. The director's DSU Account will be credited with the number of DSUs calculated to the nearest thousandth of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the payment date by the share price of a Common Share at the time. Share price is defined in the DSU Plan and means (if the Common Shares are listed and posted for trading on the TSX) the closing price of a Common Share on the TSX averaged over the five (5) consecutive Trading Days immediately preceding (a) in the case of a grant, the last day of the fiscal quarter preceding the date of grant in respect of a non-employee director, or (b) in the case of a redemption, the redemption date, as applicable, or in the event such Common Shares are not traded on the TSX, the fair market value of such Common Shares as determined by the Committee acting in good faith.

Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number. In addition to the DSUs granted as part of a director's Annual Base Compensation, the Committee may also, from time to time and in its sole discretion, grant one or more awards of DSUs to non-employee directors on terms and conditions consistent with the DSU Plan.

Generally, a Participant shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the date upon which the Participant ceases to hold any position as a director of the Corporation or its subsidiaries and is no longer otherwise employed by the Corporation or its subsidiaries, including in the event of death of the Participant and ending on the 90th day following such date, provided, however that for U.S. Eligible Participants (as defined in the DSU Plan), redemption will be made upon such Participant's "separation from service" as defined under Section 409A of the Code.

Redemptions of DSUs under the DSU Plan may be (i) in Common Shares issued from treasury, (ii) purchased by the Corporation on the open market for delivery to the former non-employee director, or (iii) settled in cash or any combination of the foregoing, as determined by the Committee in its sole discretion.

#### *Maximum Number of Common Shares Issuable for DSUs*

DSUs may be granted by the Corporation in accordance with the DSU Plan provided the number of Common Shares issuable pursuant to the DSUs outstanding pursuant to the DSU Plan shall not exceed 2,500,000 Common Shares, representing 0.93% of the issued and outstanding Common Shares as of December 31, 2018. The maximum number of Common Shares issuable pursuant to all security-based compensation arrangements, at any time, including all shares, options or other rights to purchase or otherwise acquire Common Shares that are granted, shall not exceed 10% of the total number of outstanding Common Shares. As at December 31, 2018, no DSUs were outstanding, representing 0% of the issued and outstanding Common Shares as of December 31, 2018.

The DSU Plan provides that the maximum number of Common Shares issuable to pursuant to the DSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. Further, the aggregate number of Common Shares that may be issued to Insiders pursuant to the DSU Plan and all other security-based compensation arrangements of the Corporation, within any 12 month period may not exceed 10% of the Common Shares outstanding at the beginning of such 12 month period.

#### *Transferability*

No right to receive payment of deferred compensation awards shall be transferable or assignable by any Participant under the DSU Plan except by will or laws of descent and distribution.

#### *Amendments to the DSU Plan*

The Board may at any time, and from time to time, and without further shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or stock exchange requirement at the time of such amendment, including, without limitation:

- a. for the purposes of making formal minor or technical modifications to any of the provisions of the DSU Plan including amendments of a "clerical" or "housekeeping" nature;
- b. to correct any ambiguity, defective provision, error or omission in the provisions of the DSU Plan;
- c. amendments to the termination provisions of the DSU Plan;
- d. amendments necessary or advisable because of any change in applicable laws;
- e. amendments to the transferability of DSUs;

- f. amendments relating to the administration of the DSU Plan; or
- g. any other amendment, fundamental or otherwise, not requiring Shareholder approval under applicable laws; provided, however, that:  
no such amendment of the DSU Plan may be made without the consent of each affected Participant in the DSU Plan if such amendment would adversely affect the rights of such affected Participant(s) under the DSU Plan; and
- h. Shareholder approval shall be obtained in accordance with TSX Policies, for any amendment:
  - i. to increase the fixed maximum number of Common Shares which may be issued under the DSU Plan;
  - ii. to the amendment provisions of the DSU Plan;
  - iii. to remove or exceed the Insider participation limits; or
  - iv. to expand the definition of “Participant”.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At no time during the Corporation’s last completed financial year, was any director, executive officer, employee, proposed management nominee for election as a director of the Corporation nor any associate of any such director, executive officer, or proposed management nominee of the Corporation or any former director, executive officer or employee of the Corporation or any of its subsidiaries, indebted to the Corporation or any of its subsidiaries or indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, other than routine indebtedness.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, 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, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

During the fiscal year ended December 31, 2018, the Corporation paid fees and wages to its directors and officers.

Details are as follows:

- a. Management fees and wages of \$3,410,000;
- b. Director fees of \$122,000;
- c. Consulting fees of \$60,000 to 240 Ontario, a company owned and controlled by Amy Stephenson; and
- d. Non-cash share-based compensation with a Black Scholes basis valuation of \$3,782,679.

As at December 31, 2018, the Corporation has \$53,000 of compensation owing to directors and \$434,000 of compensation owing to former officers, included in accounts payable and accrued liabilities.

#### *Advances to Related Parties*

The following information is derived from the annual audited financial statements for the financial year ended December 31, 2018, a copy of which is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### *I. Epican Medicinals Ltd.*

On April 4, 2018, Epican Medicinals Ltd. (“**Epican**”) incorporated 10709751 Canada Ltd., a wholly-owned Canadian subsidiary (“**Epican Canada**”). Two TGOD officers were appointed to a five-member board of directors of Epican Canada making the Corporation and Epican Canada related parties.

On December 22, 2017, the Corporation loaned \$267,000 (US\$200,000) to Epican in the form of a convertible note (the “**First Note**”) which was expected to mature on June 22, 2018. The First Note was unsecured and bore an annual interest of 10%. On May 7, 2018, the Corporation advanced a further \$329,000 (US\$250,000) to Epican in the form of a convertible note (the “**Second Note**”) which was expected to mature on June 27, 2018.

On June 11, 2018, the Corporation entered into a strategic partnership agreement with Epican and signed a definitive agreement (the “**Acquisition Agreement**”) with Epican to acquire approximately 49% of Epican’s shares. Also, on June 11, 2018, the Corporation agreed to advance a further \$1,975,000 (US\$1,500,000) (the “**Third Note**”) to Epican. The Corporation entered into an additional agreement with Epican which extended the maturity dates of the First Note and the Second Note to July 18, 2018, removed the conversion feature on the Second Note and waived all interest. The amounts for the Second Note and the Third Note were applied towards the final cash consideration amount payable at the closing of the Acquisition Agreement.

During the year ended December 31, 2018, the Corporation advanced an additional \$757,000 to Epican for normal course operating expenditures. The \$757,000 advance is repayable to the Corporation and remained outstanding as at December 31, 2018.

## *II. Advances to TGOF Corp.*

The Corporation advanced the following amounts to a related party entity, TGOF Corp., of which Robert Anderson and Dave Doherty, former directors of the Corporation, are shareholders:

- a. \$125,000 on March 31, 2017 in exchange for a note receivable for the same amount at an interest rate of 0% and a maturity date of June 30, 2017. This note payable was settled on June 30, 2017 with a replacement note payable in the same amount and interest rate with a maturity date of June 30, 2018. The note was repaid in full on July 27, 2018.
- b. \$132,000 (US \$100,000) on June 26, 2017 in exchange for a note receivable for the same amount at an interest rate of 0% and a maturity date of September 26, 2017. This advance was replaced by a note receivable dated September 26, 2017 for the same amount, at an interest rate of 0% and a maturity date of September 26, 2018. \$80,000 was repaid on September 12, 2018, while the remainder was repaid in full on October 31, 2018.

## *III. Advance to QuebecCo*

On January 12, 2018, the Corporation completed the purchase of 2,001,134 Class A shares of 9371-8633 Quebec Inc. (“**QuebecCo**”) representing a 49.99% interest in QuebecCo. The purchase price of \$2,001,000 was paid in cash. QuebecCo holds a property located in the City of Salaberry-de-Valleyfield, Quebec.

The Corporation advanced \$68,000 to QuebecCo during the year ended December 31, 2018. The entire balance remained outstanding as at December 31, 2018 (December 31, 2017 - \$nil). The Corporation also has outstanding payments owing to QuebecCo of \$25,000 as at December 31, 2018 which have been offset against the amounts due from related parties on the consolidated statement of financial position (December 31, 2017 - \$nil).

## **MANAGEMENT CONTRACTS**

Except as set out herein, there are no management functions of the Corporation which are to any substantial degree performed by a person or Corporation other than the directors or executive officers of the Corporation.

## **CORPORATE GOVERNANCE**

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its information circular. The TSX also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.



## Board of Directors

The Board facilitates the exercise of independent supervision over management by ensuring representation on the Board by directors who are independent of management. Directors are considered to be independent if they have no direct or indirect material relationship with company that could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgement. For information regarding independence of directors nominees, see "*Business of the Meeting – Election of Directors*". The Corporation currently has a Board comprised of six directors, the majority of whom are independent; the only non-independent director is Brian Athaide, the Corporation's CEO.

## Exercise of Independence by the Board

The independent directors are able to, and at ad hoc intervals, as necessary, meet without the presence of management to facilitate open and candid discussions and ensure that the Board may function independent of management. Throughout 2018, the independent directors met in camera at each regular Board meeting.

The Chairman of the Board, Mr. Jeffrey Scott, is an independent director. As Chairman, Mr. Scott is responsible for the functioning of the Board including, among other things, determining the agenda for each meeting of the Board, ensuring directors are kept informed of appropriate corporate matters, chairing the meetings and acting as a key liaison between the Board and senior management.

## Other Reporting Issuer Experience

The Corporation does not limit the number of public company boards its directors can serve on, however, the Governance Committee must review and approve a proposed appointment to another public company board to ensure the additional commitment does not conflict significantly with the interests of the Corporation, affect the director's independence or ability to devote the appropriate time to the Corporation. None of the nominated directors serve together on another public company board. Please refer to a particular director's profile, under "*Business of the Meeting – Elections of Directors*" for information regarding other public directorship.

## Meetings of the Board

Directors are expected to attend and participate in substantially all meetings of the Board and of all the committees of which they serve. They are expected to attend such meetings fully prepared, and remain in attendance for the duration of the meeting. Where a director's absence from a meeting is unavoidable, the director is expected to contact the Chair, the CEO or Corporate Secretary as soon as possible for a briefing on the substantive elements of the meeting.

The following table sets out the meeting attendance record of the directors during the fiscal year end December 31, 2018.

Director	Board Meetings	Committee		
		Audit	Nominating & Governance	Compensation
Robert Anderson <sup>(1)</sup>	10 of 10	-	-	-
Brian D Athaide <sup>(2)</sup>	4 of 4	-	-	-
Cameron Battley <sup>(3)</sup>	5 of 7	-	-	-
Marc Bertrand	16 of 16	7 of 7	2 of 2	2 of 2
David J. Doherty <sup>(2)</sup>	12 of 12	-	-	2 of 2
Nicholas G. Kirton <sup>(4)</sup>	14 of 14	7 of 7	2 of 2	-
Jeffrey J. Scott <sup>(5)</sup>	15 of 15	7 of 7	2 of 2	2 of 2
Ian P. Wilms	16 of 16	-	-	-
Scott Skinner <sup>(6)</sup>	2 of 2	-	-	-
Jeffrey Paikin <sup>(7)</sup>	1 of 1	-	-	-

### Notes:

- <sup>(1)</sup> Mr. Anderson resigned on July 1, 2018.
- <sup>(2)</sup> Mr. Doherty resigned on September 24, 2018. Mr. Athaide was appointed director on September 24, 2018.
- <sup>(3)</sup> Mr. Battley was appointed on May 1 and resigned from the Board on September 26, 2018.
- <sup>(4)</sup> Mr. Kirton was appointed on January 8, 2018.
- <sup>(5)</sup> Mr. Scott was appointed on January 2, 2018.
- <sup>(6)</sup> Mr. Skinner was not re-elected to the Board at the shareholders meeting held January 31, 2018.
- <sup>(7)</sup> Mr. Paikin resigned on January 2, 2018.

## Board Mandate

At this time the Board does not have a written mandate. The Board oversees management of the business and affairs of the Corporation. The Board is responsible for, amongst other things, overseeing the:

- Strategic planning process;
- Identification of principal business opportunities;
- Identification of management of risks; and
- Internal controls and management information systems.

The Board discharges its responsibilities directly and through its committees.

### **Board Committees**

There are currently three committees of the Board: (a) Governance Committee, (b) Compensation Committee, and (c) Audit Committee, all of which are briefly described below. Each Committee is comprised solely of independent directors, and has a committee charter. Committee chairs report to the Board, providing updates on the committee's deliberations and any recommendations that require the Board's approval. The committees review their charter annually and update as necessary.

#### *Committee Chairs*

The Corporation has developed a written position description for Committee chairs. The relevant Committee charters guide the roles and responsibilities of the Committee chairs. The Committee chairs are responsible for, among other things, scheduling, setting agendas for and presiding over Committee meetings and acting as liaison between the Committee and the Board.

#### *Governance Committee*

*Chair:* Jeffrey Scott

*Other Members:* Marc Bertrand  
Nicholas Kirton

On January 2, 2018, the Board established the Governance Committee and adopted a Corporate Governance and Nominating Committee Charter. The Governance Committee is responsible for screening nominees to the Board and for the annual assessment of the skills and qualifications of the current directors and director nominees to ensure the members of the Board have the skills and qualifications appropriate to the current needs of the Corporation. The Governance Committee meets as required to review and make recommendations to the Board on all direct and indirect compensation, benefits and perquisites for senior management and directors of the Corporation.

This year the Board has determined that six (6) directors are to be elected. The Corporation's goal is to assemble a Board with the appropriate background, knowledge, skills and diversity to effectively carry out its duties, oversee the Corporation's strategy and business affairs and foster a climate that allows the Board to constructively guide and challenge management.

The Corporation expects all Board members to be, and the Governance Committee ensures they are, financially literate, independent minded and team players. The Governance Committee also considers the factors below when assessing potential candidates:

- the Board's overall mix of skills and experience;
- how actively Board candidates participate in meetings and develop an understanding of our business;
- their character, integrity, judgment and record of achievement; and
- diversity (including gender, aboriginal heritage, age, sexual orientation and geographic representation).

In assessing the suitability of potential candidates, the Governance Committee also reviews the credentials of existing Board members to assess suitability for re-election.

83% of the current directors of the Corporation are independent. If all of the nominated directors are elected at the Meeting, five (5) of the six (6) directors of the Corporation will be independent.

Each of the nominated directors is eligible to serve as a director and has expressed their willingness to do so. Directors who are elected will serve until the end of the next annual meeting of Shareholders, or until a successor is elected or appointed. The Board does not limit the number of terms a director is eligible to serve. Imposing a term limit means it may lose the contributions of longer serving directors who have developed a deep knowledge and understanding of the Corporation over time. The Corporation considers the benefits of regular renewal in the context of the needs of the Board at the time.

See “*Business of the Meeting – Elections of Directors*” above for more information about the members of the Board.

While no annual review is presently conducted, ongoing review of the effectiveness of the Board, its committees and individual directors is carried out by the Governance Committee. Findings are reported to the Board. The directors’ completion of the Corporation’s Board Skills Matrix is also used to assess individual director’s competencies and strengths and the competency of the Board as a whole. The Board Skills Matrix assists in determining individual’s suitability to the Board and Board Committees.

The following table, being the Board Skills Matrix, sets out a non-exhaustive list of each proposed director’s skills and experiences, as disclosed by the individual director as of May 9, 2019.

<b>Experience/ Skills</b>	<b>Jeffrey Scott</b>	<b>Brian Athaide</b>	<b>Marc Bertrand</b>	<b>Nicholas Kirton</b>	<b>Dr. Caroline MacCallum</b>	<b>Jacques Dessureault</b>
Cannabis Industry		✓	✓		✓	✓
Pharmaceutical/ Biomedical industry					✓	✓
Regulated Industry		✓	✓		✓	
Consumer Packaged Goods		✓	✓			
Retail		✓	✓			✓
Public Company Board Experience	✓	✓	✓	✓		
Corporate Governance	✓	✓	✓	✓		✓
International Business	✓	✓	✓	✓		✓
Government Relations / Public Policy			✓			✓
Transactional / M&A	✓	✓	✓	✓		✓
Corporate Finance and Capital Markets	✓	✓	✓	✓		✓
Financial Reporting / Internal Controls	✓	✓	✓	✓		✓
HR/ Labour Relations		✓	✓			✓
Marketing		✓	✓			✓
Operations	✓	✓	✓			✓
Quality			✓			✓
Information Technology / Cybersecurity		✓				
Corporate Social Responsibility	✓	✓	✓	✓		✓

In fulfilling its Charter, the Governance Committee is also responsible for developing, reviewing and revising the Corporation’s corporate governance policies, practices and guidelines, and advising the Board annually regarding recommended updates. This includes overseeing the implementation of policies related to disclosure, confidentiality and insider trading. The Governance Committee is also responsible for approving requests to engage special outside advisors, at the expense of the Corporation.

Monitoring compliance with the Corporation's Code of Business Conduct and Ethics is also the responsibility of the Governance Committee. The Committee meets with management and the Corporation's auditor as needed to, *inter alia*, review compliance issues, including compliance with the Corporation's policies and procedures by the Corporation's directors, officers, employees, agents and representatives.

#### *Compensation Committee*

*Chair:*                    *Marc Bertrand*

*Other Members:*    *Jeffrey Scott*  
                                 *Jacques Dessureault*

On January 2, 2018, the Board established a Compensation Committee and adopted a Compensation Committee Charter. The Compensation Committee conducts an annual review with regard to the directors' and the CEO's compensation. To make its recommendation on directors' and the CEO's compensation, the Compensation Committee takes into account the types of compensation and the amounts paid to directors and CEOs of comparable Canadian companies.

#### *Audit Committee*

*Chair:*                    *Nicholas Kirton*

*Other Members:*    *Jeffrey Scott*  
                                 *Marc Bertrand*

The Audit Committee is currently comprised of 3 directors, all of whom are both independent and financially literate. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information, which will be provided to the Shareholders and the public, the systems of corporate controls, which management and the Board have established, and overseeing the audit process. It has general responsibility to oversee internal controls, accounting and auditing activities and legal compliance of the Corporation. The Audit Committee also is mandated to review and approve all material related party transactions.

#### **Codes and Policies**

On January 2, 2018, the Board approved a Code of Business Conduct and Ethics, a Disclosure & Confidentiality Policy, an Insider Trading Policy, a Majority Voting Policy, and a Whistle Blower Policy, copies of which are posted on the Corporation's website. The Board monitors compliance with its Code of Business Conduct and Ethics on an ongoing basis and discusses compliance at scheduled meetings of the Board no less than quarterly.

On May 8, 2019, the Board approved a written Share Ownership Guidelines, an Executive Compensation Claw-Back Policy, a Diversity Policy, Terms of Reference for the Chairman of the Board, Terms of Reference for the Chief Executive Officer, and Terms of Reference for Committee Chair, copies of which are posted on the Corporation's website.

#### *Share Ownership Guidelines and Anti-Hedging Policy*

TGOD has adopted Share Ownership Guidelines which set minimum shareholding requirements for directors and certain executive officers. TGOD believes these guidelines provide a further incentive to directors and executive officers to align with shareholders' interest. The policy also disallows directors and its corporate officers from engaging in hedging against a decrease in the value of the Corporation. The policy provides as follows:

The equity investment required by this guideline may be satisfied through common shares, DSUs, RSUs or such other equity-based incentives as determined by the Board from time to time.

<u>Position</u>	<u>Aggregate Value</u>
Director	3 times annual cash retainer
Chief Executive Officer	3 times annual base salary
President	3 times annual base salary
Chief Financial Officer	2 times annual base salary

The minimum aggregate equity investment in the Corporation is expected to be satisfied within five (5) years of appointment. In the event a director's or executive officer's compensation is increased, he or she will have five (5) years from the date of such increase to comply with the share ownership requirement in respect of the additional required amount.

As of May 9, 2019, the directors and executive officers are in compliance with this policy.

#### *Executive Claw-Back Policy*

The Board formally adopted the following Executive Compensation Claw-Back Policy:

In the event of a restatement of Corporation's financial results, other than a restatement caused by a change in applicable accounting rules or interpretations, the result of which is that any performance-based compensation paid to an executive officer that would have been a lower amount had it been calculated on such restated results, the Board shall review such performance-based compensation. Restatements of financial statements may be due to material error, fraudulent behaviour or other intentional misconduct of executive officers of the Corporation.

If the Board determines that the amount of any performance compensation actually paid or awarded to an executive officer (the "**Awarded Compensation**") would have been a lower amount had it been calculated based on such restated financial statements (the "**Actual Compensation**"), then the Board may, seek to recover for the benefit of the Corporation the after-tax portion of the difference between the Awarded Compensation and the Actual Compensation (such difference, the "**Excess Compensation**"). In determining the after-tax portion of the Excess Compensation, the Board shall take into account its good faith estimate of the value of any tax deduction available to the executive officer in respect of such repayment. Before the Board determines to seek recovery pursuant to this policy, it shall provide to the applicable executive officer written notice and the opportunity to be heard, at a meeting of the Board.

If the Board determines to seek a recovery pursuant to this policy, it shall make a written demand for repayment from the executive officer and, if the executive officer does not within a reasonable period tender repayment in response to such demand, and the Board determines that he or she is unlikely to do so, the Board may seek a court order against the executive officer for such repayment. The Board may exercise its discretion in how to apply this claw-back in the event that a claw-back would cause financial hardship for an executive officer.

#### *Diversity & Inclusion Policy*

The Corporation has a formal policy with respect to diversity and inclusion. The Corporation recognizes and embraces the benefits of having a board of directors and executive officers comprised of highly talented and experienced individuals, diverse in a broad array of attributes to enhance the quality of its performance and reflect the diversity of the Corporation's stakeholders. The Corporation is committed to ensuring that its Board and executive officers are reflective of diverse professional experience, skills, knowledge and other attributes that are essential to its successful operations and the achievement of the Corporation's current and future plans and objectives. The Corporation values the differences of people, cultures and ideas and approaches diversity with an inclusive mindset, including, but not limited to, gender, ethnicity, age, religion and sexual orientation.

In support of this objective, the Governance and Nominating Committee ("**GN Committee**") and the executive team (as appropriate) will, when identifying candidates to nominate for election to the Board or to appoint in an executive officer capacity:

- (a) will at all times select the candidate that possesses the highest qualifications to assist the Corporation in its objectives regardless of gender, race, ethnicity, age, religion or sexual orientation;
- (b) consider the level of representation of women on the Board or in executive officer positions when making recommendations for nominees to the Board or for appointment as executive officers and in general with regard to succession planning for the Board and executive officers; and
- (c) as required, engage qualified independent external advisors to assist the Board in conducting its search for director candidates that meet the Board's criteria regarding skills, experience and diversity.

In respect of gender diversity, the GN Committee and the executive team (as appropriate) will:

- (a) consider and recommend to the Board potential strategies for identifying and attracting female board candidates, such as leveraging industry contacts, maintaining an evergreen list of potential board candidates, and encouraging referrals from internal and external sources; and
- (b) together with the CEO, consider and recommend to the Board potential strategies for identifying and attracting female executive officer candidates, such as leveraging industry contacts and encouraging referrals from internal and external sources.

Given the nature and size of the Corporation's business and its industry, it may from time to time be challenging for the Corporation to identify a qualified pool of candidates that adequately reflects the Corporation's diversity values combined with the required professional skills. The Corporation has therefore not adopted any specific targets regarding the representation of women on the Board and in executive officer capacities, but will promote its objectives through the initiatives set out in this policy with a view to identifying and fostering the development of a suitable pool of candidates for nomination or appointment over time.

The Board will assess its progress in achieving the objectives of its policy regarding the identification and nomination of women directors and executive officers on an annual basis.

To the date of this Information Circular, there is one director of the Corporation who is a woman, Dr. Caroline MacCallum. She is being recommended for re-election to the Board. If all nominated directors are elected, the Board will be comprised of 17% women.

As of December 31, 2018, and to the date of this Information Circular, there were three (3) women in officer positions in the Corporation, being Julia Golubovskaya, Vice President Finance; Marie-Josée Lafrance, Vice President Human Resources and Anna Stewart, General Counsel and Corporate Secretary; together being 30% of the Executive Officers of the Corporation.

### **Ethical Business Conduct**

The Corporation has adopted additional measures beyond the Corporation's Code of Business Conduct and Ethics and the monitoring of compliance with the Code, to promote a culture of ethical business conduct.

In the ordinary course of business, the Corporation enters into transactions with persons with which a director and/or employee may have a relationship. If any such transactions are brought before the Board for discussion or approval, the affected director declares a conflict of interest and withdraws from any discussion or vote on any such transaction.

As part of the Corporation's commercial compliance program, the Corporation prepares training modules for employees, officers and directors in respect of compliance with the Corporation's policies and procedures. The Corporation's Whistleblower Policy supports maintenance of the highest possible ethical standards in our business practices, promotes a climate of openness and accountability and encourages employees to come forward in good faith to disclose genuine concerns and to detect, and/or forestall the continuation of, and prevent any violations of the Corporation's internal policies and procedures.

## **Orientation and Continuing Education**

The Corporation provides all new directors, a corporate governance package that includes, a “Director’s Binder” containing the Corporation’s current corporate certificates under the *Canada Business Corporations Act*, the current By-Laws, as amended, the Charters of each Board committee, the corporate governance statement, committees and terms of references, director compensation information, the policies adopted by the Board, a meeting schedule, contact lists for directors and senior management, copies of the most recent annual report, management information circular, annual information form, news and press releases, investment analyst reports, shareholder meeting minutes, director meeting minutes, quarterly financial statements and budgets.

The Corporation provides a continuing education program for those directors, which the Corporation deems would benefit from such a program. The Board is comprised of seasoned, experienced business professionals who, in most cases, possess previous experience as directors of a Corporation. The Corporate Governance and Nominating Committee is responsible for updating the directors on changes in corporate governance.

## **RECEIPT OF SHAREHOLDERS PROPOSALS**

Any shareholder who intends to present a proposal at the next annual meeting of shareholders must send the proposal to the Corporate Secretary at 6205 Airport Rd., Building A – Suite 301, Mississauga, Ontario L4V 1E3. In order for the proposal to be included in the proxy materials we send to shareholders for that meeting, the proposal must be received by us no later than February 13, 2020 and must comply with Section 137 of the CBCA.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is contained in the Corporation’s consolidated financial statements and management’s discussion and analysis for the year ended December 31, 2018 and information with respect to the business of the Corporation is contained in the Corporation’s annual information form for the year ended December 31, 2018. Shareholders may obtain copies of the Corporation’s financial statements and management’s discussion and analysis by contacting the Corporation at 6205 Airport Rd., Building A – Suite 301, Mississauga, Ontario L4V 1E3 or at (905) 304-4201.

## **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to Shareholders has been approved by the Board.

**DATED** at Toronto, Ontario, May 9, 2019.

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

(signed) “*Brian D. Athaide*”

Brian D. Athaide

Chief Executive Officer