None of the transactions described in this document have been approved or disapproved by any securities regulatory authority or stock exchange, nor has any securities regulatory authority or stock exchange expressed an opinion about, or passed upon the fairness or merits of, the transactions described in this document or the adequacy of the information contained in this document and it is an offense to claim otherwise.

SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 22, 2022

NOTICE OF SPECIAL MEETING AND MANAGEMENT INFORMATION CIRCULAR

THIS NOTICE OF SPECIAL MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF PODA HOLDINGS, INC. OF PROXIES TO BE VOTED AT THE SPECIAL MEETING OF SHAREHOLDERS OF PODA HOLDINGS, INC.

TO BE HELD IN PERSON ON JUNE 22, 2022, AT 1:30 PM PACIFIC TIME.

Dated: May 17, 2022

THE BOARD OF DIRECTORS OF PODA HOLDINGS, INC. RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE RESOLUTIONS

These materials are important and require your immediate attention. They require shareholders of Poda Holdings, Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.

The accompanying management information circular is dated May 17, 2022 and is first being mailed to shareholders of PODA Holdings, Inc. on or about June 1, 2022.

May 17, 2022

Dear Shareholder:

The Board of Directors (the "**PODA Board**") of Poda Holdings, Inc. ("**PODA**" or the "**Company**") cordially invites you to attend the special meeting (the "**Meeting**") of holders (the "**Shareholders**") of PODA's issued and outstanding shares to be held at the offices of DLA Piper (Canada) LLP, Suite 2800, Park Place 666 Burrard St, Vancouver, British Columbia, Canada, at 1:30 pm (Pacific time) on June 22, 2022. At this time, the Meeting will be conducted as an in person meeting, and there will be no opportunity for Shareholders to participate via other mediums. However, the Company reserves the right to alter the format of the Meeting in response to any further developments in respect of the COVID-19 outbreak to allow the Company to mitigate risks to the health and safety of our communities.

Inside this document, you will find important information and instructions about how to participate in the Meeting.

On May 13, 2022, PODA entered into an asset purchase agreement (as may be subsequently amended, supplemented or otherwise modified, the "**Asset Purchase Agreement**") with Altria Client Services LLC ("**Altria**"), as purchaser and Ryan Selby and Ryan Karkairan (together, the "**Owners**"), which sets out, among other things, the terms and conditions upon which PODA and the Owners are proposing to, respectively, sell certain assets and assign certain contracts to Altria for total cash consideration of US$100,500,000, of which US$55,275,000 is to be paid to PODA and US$45,225,000 is to be paid to the Owners. Such sale by PODA will constitute the disposition of all or substantially all of PODA's undertaking under the *Business Corporations Act* (British Columbia) (the "**Sale Transaction**") and accordingly requires approval of the Shareholders under such statute. Altria Client Services LLC is a subsidiary of Altria Group, Inc., a U.S. based company that is listed on the New York Stock Exchange (NYSE: MO) and has a leading portfolio of tobacco products. The proposed Sale Transaction is the result of the PODA Board's review of strategic alternatives, as further described in the management information circular accompanying this letter (the "**Circular**") in the section entitled "*Sale of All or Substantially All of the Company's Assets*".

At the Meeting, you will be asked to consider and approve special resolutions authorizing: (i) the Sale Transaction (the "**Sale Resolution**"), (ii) the alteration of the Company's Articles to vary the special rights and restrictions attached to the Subordinate Voting Shares of PODA (the "**SVS**", and such resolution the "**SVS Amendment Resolution**") with respect to the participation in the SVS in returns of capital and dividends, to be implemented only in the event the Sale Transaction is completed; (iii) the reduction in the capital (the "**SVS Capital Reduction**") of the SVS to facilitate the distribution of a portion of the net proceeds to be received by PODA from the Sale Transaction to the holders of SVS as a return of capital, to be implemented only in the event that the Sale Transaction is completed (the "**SVS Capital Reduction Resolution**"); (iv) the alteration of PODA's Articles to vary the special rights and restrictions attached to the Multiple Voting Shares of PODA (the "**MVS**", such resolution, the "**MVS Amendment Resolution**", and together with the SVS Amendment Resolution, the "**Amendment Resolutions**") with respect to the participation of the MVS in returns of capital and dividends, to be implemented only if the Sale Transaction is completed; and (v) the reduction in the capital (the "**MVS Capital Reduction**") of the MVS to facilitate the distribution of a portion of the net proceeds to be received by PODA from the Sale Transaction to the holders of MVS as a return of capital, to be implemented only in the event that the Sale Transaction is completed (the "**MVS Capital Reduction Resolution**", and together with the SVS Capital Reduction Resolution, the "**Capital Reduction Resolutions**"). Please complete the enclosed form of proxy and submit it to our transfer agent and registrar, Endeavor Trust Corporation, as soon as possible but not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof.

The PODA Board anticipates that, following completion of the Sale Transaction, it will make a distribution to Shareholders (the "**Distribution**") currently estimated to be approximately CDN$65.8 million. The Distribution is currently estimated to be approximately CDN$0.40 per share (to be paid on the MVS on an as-converted to SVS basis), and is anticipated to be composed of: (i) a return of capital on the MVS and the SVS in accordance with the special rights and restrictions as to participation in returns of capital of each such class as varied by the Amendment Resolutions (the "**Return of Capital**"); and (ii) one or more dividends on the SVS and MVS in accordance with the special rights and restrictions of the SVS and the MVS as to participation in dividends (the "**Dividends**") as varied by the Amendment Resolutions, in an amount or amounts to be determined by the PODA Board, in its sole discretion. The Return of Capital and the Dividends will be conditional upon adoption of the Amendment Resolutions and the resolutions approving the Capital Reductions, and the amount and timing of the Distribution(s), if any, will be determined by the PODA Board, in its sole discretion. Any Distribution will be made after payment of all fees and taxes, including capital gains taxes associated with the Sale Transaction, and retention by PODA of approximately $1 million in order to search out and, if considered appropriate by the PODA Board, participate in new business opportunities following the Closing of the Sale Transaction. It is estimated that the capital gains taxes payable by the Company in respect of the consideration to be received by it under the Asset Purchase Agreement will be approximately $6.5 million. The PODA Board is not currently aware of any material items that could give rise to unforeseen tax liabilities or other liabilities or costs which would materially reduce the amount of cash available for the Distribution, but there is no assurance this will remain the case.

The completion of the Sale Transaction, the SVS Capital Reduction, the MVS Capital Reduction and the Distribution, if any, are subject to, among other conditions, the passage of the Sale Resolution, the Amendment Resolutions and the Capital Reduction Resolution at the Meeting. Completion of the Return of Capital will be conditional upon passage of the Amendment Resolutions and the Capital Reduction Resolutions at the Meeting. The Sale Transaction is currently expected to close in the second quarter of 2022. The completion of the Sale Transaction is not conditional upon the approval of the Capital Reductions.

The Sale Resolution must be approved by at least 66⅔% of the votes cast at the Meeting by the holders of SVS and MVS, voting together as a single class. The SVS Amendment Resolution and the SVS Capital Reduction Resolution must each be approved by at least 66⅔% of the votes cast at the Meeting by the holders of SVS, and the MVS Amendment Resolution and the MVS Capital Reduction Resolution must each be approved by at least 66⅔% of the votes cast at the Meeting by the holders of MVS. Abstentions and broker non-votes will not have any effect on the approval of any of such special resolutions. As of the date of the Information Circular: (i) each of PODA's directors and officers (including the Owners) owning shares carrying approximately 2.41% of the votes entitled to be cast at the Meeting; and (ii) certain other Shareholders owning shares carrying approximately 36.49% of the votes entitled to be cast at the Meeting (together owning shares carrying approximately 38.91% of the votes entitled to be cast at the Meeting), have entered into voting support agreements agreeing to vote their shares in favour of the Sale Resolution.

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, and after careful consideration of a number of alternatives and factors, including, among others, receipt of the unanimous recommendation from the Special Committee, the Fairness Opinion and the factors set out in the Circular under the heading "*Reasons for the Sale Transaction*", the members of the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) determined that the consummation of the transactions contemplated by the Asset Purchase Agreement, including the Sale Transaction, are in the best interests of PODA and are fair to Shareholders and recommend that Shareholders vote <u>FOR</u> the Sale Resolution.

The accompanying Circular describes the background to the PODA Board's determinations and recommendations. The accompanying Circular also contains a detailed description of the Asset Purchase Agreement and the Sale Transaction and includes other information to assist you in considering the matters to be voted upon which we encourage you to carefully consider. If you require assistance, you should consult your financial, tax, legal and other professional advisors.

Your vote is important regardless of the number of PODA Shares you own. All Shareholders are encouraged to take the time to complete, sign, date and return the applicable form of proxy in accordance with the instructions set out therein and in the accompanying Circular so that your PODA Shares are voted at the Meeting in accordance with

your instructions. If you are a Non-Registered Shareholder and hold your PODA Shares through a broker, custodian, nominee or other intermediary, please follow their instructions. **Please vote as soon as possible**.

The Circular contains important information about PODA and the Meeting. We encourage you to review it prior to voting.

While certain matters, such as the satisfaction of certain other conditions, are beyond PODA's control, if the requisite approvals are obtained from Shareholders, it is currently anticipated that the Sale Transaction will be completed in the second quarter of 2022.

If you have any questions regarding the submission of your proxy, please contact Endeavor Trust Corporation, toll-free at 1-888-787-0888 or in Vancouver, British Columbia at 604-559-8880 or by e-mail at proxy@endeavortrust.com.

On behalf of PODA, I would like to thank all Shareholders for your ongoing support.

Sincerely,

"*Ryan Selby*"

Ryan Selby
CEO and director
Poda Holdings, Inc.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**SVS Shareholders**") of subordinate voting shares (the "**SVS**"), and the holders (the "**MVS Shareholders**" and, together with the SVS Shareholders, the "**Shareholders**") of multiple voting shares (the "MVS", and together with the SVS, the "**PODA Shares**") of PODA Holdings, Inc. ("**PODA**" or the "**Company**") will be held at the offices of DLA Piper (Canada) LLP, Suite 2800, Park Place 666 Burrard St, Vancouver, British Columbia, Canada, on June 22, 2022 at 1:30 pm (Pacific time) for the following purposes:

1. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Sale Resolution**"), the full text of which is set forth in Appendix "A" to the accompanying management information circular (the "**Circular**"), approving the sale of all or substantially all of the undertaking of the Company (the "**Sale Transaction**") in accordance with the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), as contemplated by the asset purchase agreement dated May 13, 2022 (as may be subsequently amended, supplemented or otherwise modified, the "**Asset Purchase Agreement**") entered into among the Company, Ryan Selby, Ryan Karkairan (together, the "**Owners**"), and Altria Client Services LLC;

2. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**SVS Amendment Resolution**"), the full text of which is set forth in Appendix "B" to the accompanying Circular, approving the alteration of PODA's Articles to vary the special rights and restrictions with respect to participation in returns of capital and dividends attached to the SVS, contingent upon adoption of the Sale Resolution and the MVS Amendment Resolution;

3. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**SVS Capital Reduction Resolution**"), the full text of which is set forth in Appendix "C" to the accompanying Circular, approving the reduction in the capital of the SVS to facilitate the distribution of a portion of the net proceeds received by PODA from the Sale Transaction as a return of capital, contingent upon adoption of the Sale Resolution, the Amendment Resolutions and the MVS Capital Reduction Resolution;

4. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**MVS Amendment Resolution**", and together with the SVS Amendment Resolution, the "**Amendment Resolutions**"), the full text of which is set forth in Appendix "D" to the accompanying Circular, approving the alteration of PODA's Articles to vary the special rights and restrictions with respect to participation in returns of capital and dividends attached to the MVS, contingent upon adoption of the Sale Resolution and the SVS Amendment Resolution;

5. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**MVS Capital Reduction Resolution**" and together with the Sale Resolution, the SVS Capital Reduction Resolution, and the Amendment Resolutions, the "**Resolutions**"), the full text of which is set forth in Appendix "E" to the accompanying Circular, approving the reduction in the capital of the MVS to facilitate the distribution of a portion of the net proceeds received by PODA from the Sale Transaction as a return of capital, contingent upon adoption of the Sale Resolution, the Amendment Resolutions and the SVS Capital Reduction Resolution; and

6. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The Circular accompanying this Notice provides additional information relating to the matters to be brought before the Meeting, including the Sale Transaction. A copy of the Asset Purchase Agreement is available on the Company's profile at www.sedar.com.

The Company's board of directors (the "**PODA Board**") unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect of the Sale Resolution) recommends that Shareholders vote **FOR** the

resolutions described above. It is a condition of the consummation of the Sale Transaction, and any Return of Capital, that the Sale Resolution is adopted at the Meeting.

The PODA Board fixed May 18, 2022, as the record date for the Meeting (the "**Record Date**"). Shareholders of record at the close of business on the Record Date are entitled to notice of the Meeting and to vote thereat or at any adjournment or postponement thereof on the basis of: (i) one vote for each SVS held; and (ii) 1,000 votes for each MVS held.

To be adopted: (i) the Sale Resolution must be approved by at least 66⅔% of the votes cast by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class, (ii) the SVS Amendment Resolution and the SVS Capital Reduction Resolution must each be approved by at least 66⅔% of the votes cast by SVS Shareholders, and (iii) the MVS Amendment Resolution and the MVS Capital Reduction Resolution must each be approved by at least 66⅔% of the votes cast by MVS Shareholders, in each case present in person or represented by proxy and entitled to vote at the Meeting. Abstentions and broker non-votes will not have any effect on the approval of any Resolution.

Meeting Format and Voting

The Meeting is being held at the offices of DLA Piper (Canada) LLP, Suite 2800, Park Place 666 Burrard St, Vancouver, British Columbia, Canada, at 1:30 pm (Pacific time) on June 22, 2022. The Company intends to hold the Meeting in person, and there will be no opportunity for Shareholders to participate via other mediums. We encourage Shareholders to vote their PODA Shares prior to the Meeting by any of the means described in the Circular. Please refer to the sections titled "*General Proxy Information*" and "*How to Vote Your Shares*" in the Circular for details on how to vote at the Meeting.

The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak, including changing the Meeting date, time, location and/or means of holding the Meeting. Such changes will be announced by way of press release. Shareholders are advised to monitor the Company's website at https://poda-holdings.com or the Company's profile on SEDAR at www.sedar.com, where copies of such press releases, if any, will be posted. Shareholders are advised to check the Company's website regularly for the most current information. The Company does not intend to prepare an amended Circular in the event of changes to the Meeting format.

No Shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person.

Registered holders of PODA Shares ("**Registered Shareholders**") and duly appointed proxyholders are entitled to vote at the Meeting either by attending in person or by submitting a form of proxy, as described in the Circular under the headings, "*General Proxy Information*" and "*How to Vote Your Shares*".

Beneficial Shareholders who hold their PODA Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary ("**Non-Registered Shareholders**") who have not duly appointed themselves as proxyholder will be able to attend the Meeting but will not be able to vote at the Meeting. Registered Shareholders may attend, participate in and vote at the Meeting or may be represented by proxy.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting (including Non-Registered Shareholders who have appointed themselves as proxyholder to attend, participate in or vote at the Meeting) **MUST** submit their duly completed proxy or voting instruction form, as applicable, in advance of the proxy cut-off at 1:30 PM (Pacific time) on June 20, 2022.

If you are a Registered Shareholder and are unable to attend the Meeting in person, please exercise your right to vote by completing, signing, dating and returning the applicable accompanying form of proxy to Endeavor Trust Corporation, the registrar and transfer agent of the Company as soon as possible, so that as large a representation as possible may be had at the Meeting. To be valid, completed proxy forms must be signed, dated and deposited with Endeavor Trust Corporation using one of the following methods:

By Mail or Hand Delivery:	Endeavor Trust Corporation 702 – 777 Hornby Street Vancouver, BC V6Z 1S4
Facsimile:	604-559-8908
Email:	proxy@endeavortrust.com
Online:	As listed on Form of Proxy or Voter Information Card

Proxies must be deposited with Endeavor Trust Corporation not later than 1:30 PM (Pacific time) on June 20, 2022, or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such reconvened Meeting or any adjournment or postponement thereof. The Chair of the Meeting shall have the discretion to waive or extend the proxy deadlines without notice.

If you are unable to attend the Meeting, we encourage you to complete and return the enclosed form of proxy as soon as possible so that as large a representation as possible may be had at the Meeting. If a Shareholder receives more than one form of proxy because such holder owns PODA Shares of different classes and/or registered in different names or addresses, each form of proxy must be completed and returned in order to ensure all PODA Shares are voted.

If you are 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 other intermediary, as applicable.

The PODA Shares represented by the enclosed form of proxy will be voted in accordance with the instructions indicated thereon. If no instructions are given, such PODA Shares will be voted FOR the Sale Resolution, the SVS Amendment Resolution, the SVS Capital Reduction Resolution, the MVS Amendment Resolution and the MVS Capital Reduction Resolution.

Dissent Rights

Registered Shareholders have the right to dissent with respect to the Sale Resolution and, if the Sale Resolution is adopted, to be paid the fair value of their PODA Shares in accordance with the provisions of the BCBCA, as described in the accompanying Circular under the heading "*Dissent Rights*". Failure to strictly comply with the requirements with respect to the dissent rights set forth in the BCBCA may result in the loss of any right to dissent. Persons who are beneficial owners of PODA Shares registered in the name of a broker, custodian, nominee or other intermediary and who wish to dissent must make arrangements for the PODA Shares beneficially owned by them to be registered in their name prior to the time the written objection to the Sale Resolution is required to be received by the Company or, alternatively, make arrangements for the Registered Shareholder of such PODA Shares to dissent on their behalf.

The Circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting. Additional information about PODA is also available under its profile at www.sedar.com.

If you have any questions regarding the submission of your proxy, please contact Endeavor Trust Corporation, toll-free at 1-888-787-0888 or in Vancouver, British Columbia at 604-559-8880 or by e-mail at proxy@endeavortrust.com.

DATED at Vancouver, British Columbia this 17th day of May, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

"*Ryan Selby*"
Ryan Selby
CEO and Director
Poda Holdings, Inc.

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PODA HOLDINGS, INC.
CSE: PODA

MANAGEMENT INFORMATION CIRCULAR
FOR THE SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 22, 2021

PURPOSE OF SOLICITATION

This management information circular (the "**Circular**") and accompanying form of proxy are furnished in connection with the solicitation of proxies by the management of Poda Holdings, Inc. ("**PODA**" or the "**Company**") for use at the special meeting (the "**Meeting**") of holders (the "**SVS Shareholders**") of subordinate voting shares of the Company (the "**SVS**") and the holders (the "**MVS Shareholders**" and, together with the SVS Shareholders, the "**Shareholders**") of multiple voting shares of the Company (the "MVS", and together with the SVS, the "**PODA Shares**") to be held on June 22, 2022 commencing at 1:30 pm (Pacific time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of special meeting (the "**Notice of Meeting**").

The Company is holding the Meeting at the offices of DLA Piper (Canada) LLP, Suite 2800, Park Place 666 Burrard St, Vancouver, British Columbia, Canada. The Company intends to hold the Meeting in person, and there will be no opportunity for Shareholders to participate via other mediums. However, the Company reserves the right to alter the format of the Meeting in response to any further developments in respect of the COVID-19 outbreak to allow the Company to mitigate risks to the health and safety of our communities. Please refer to the sections titled "*General Proxy Information*" and "*How to Vote Your Shares*" in the Circular for details on how to vote at the Meeting.

All summaries of, and references to, the Sale Transaction, the Resolutions, the Asset Purchase Agreement, the Voting Agreements, other related agreements, and the Fairness Opinion in this Circular are qualified in their entirety by reference to the complete text of these documents, each of which is either included in this Circular, as an appendix to this Circular or filed under the Company's profile on SEDAR at www.sedar.com. Shareholders are urged to carefully read the full text of these documents.

GENERAL MATTERS

Defined Terms

In this Circular, unless otherwise indicated or the context otherwise requires, terms defined in the Glossary of Terms herein shall have the meanings attributed thereto. Words importing the singular include the plural and vice versa and words importing gender include all genders.

Information Contained in this Circular

The information contained in this Circular, unless otherwise indicated, is given as of May 17, 2022.

No Person is authorized by PODA to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice, and Shareholders should consult their own professional advisors concerning the consequences of the matters being put forward by the PODA Board to the Shareholders for a vote in their own circumstances.

Neither the Asset Purchase Agreement (including its fairness or merits), the Sale Transaction (including its fairness or merits), the Amendment Resolutions (including their fairness or merits), the Capital Reductions (including their fairness or merits) nor this Circular (including the accuracy or adequacy of the information contained in this Circular) has been approved or disapproved by any securities regulatory authority (including any Canadian Securities Regulator), and any representation to the contrary is unlawful.

Information Contained in this Circular Regarding Altria

Certain information included in this Circular pertaining to Altria has been furnished by Altria, or is derived from Altria's publicly available documents. With respect to this information, the PODA Board has relied exclusively upon Altria, without independent verification by the Company. Although the Company does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Company nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by Altria to disclose events or information that may affect the completeness or accuracy of such information.

Currency

Unless otherwise indicated in this Circular, all references to "$", "CDN$" or "dollars" set forth in this Circular are to the currency of Canada and references to "US$" are to United States dollars.

The following table sets forth, for each period indicated, the high and low exchange rates, the average exchange rate, and the exchange rate at the end of the period, based on the rate of exchange of one United States dollar in exchange for Canadian dollars published by the Bank of Canada.

	Calendar Year to Date (as of May 17, 2022)	**Year ended February 28**		**Nine months ended December 31**
	2022	**2021**	**2020**	**2021**
High	CDN$1.3039	CDN$1.4496	CDN$1.3527	CDN$1.2942
Low	CDN$1.2451	CDN$1.2530	CDN$1.2970	CDN$1.2040
Average	CDN$1.2686	CDN$1.3343	CDN$1.3256	CDN$1.2503
Closing	CDN$1.2834	CDN$1.2685	CDN$1.3429	CDN$1.2678

On May 12, 2022, the Business Day immediately prior to the Announcement Date, the average daily exchange rate as reported by the Bank of Canada was US$1.00 = CDN$1.3039 or CDN$1.00 = US$0.7669.

GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"Acquisition Proposal"	has the meaning ascribed thereto under "*The Asset Purchase Agreement – Non-Solicitation*".
"Affiliate"	means, as to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person. For purposes of this definition, "control" (including "controlling," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.
"Alternative Proposal"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets – Reasons for the Sale Transaction*".
"Altria"	means Altria Client Services LLC, a Virginia limited liability company, and a wholly owned subsidiary of Altria Group, Inc.
"Amendments"	means together, the SVS Amendment and the MVS Amendment.
"Amendment Resolutions"	means together, the SVS Amendment Resolution and the MVS Amendment Resolution.
"Announcement Date"	means May 13, 2022, being the date that PODA announced by press release that it had entered into the Asset Purchase Agreement.
"Articles"	means the Articles of the Company.
"A&R Royalties Agreement"	means the Amended and Restated Royalties Agreement between PODA Technologies and the Owners dated April 9, 2019 under which PODA Technologies was granted an exclusive, royalty-bearing license to certain patents related to heat-not-burn, to which the Company is the successor by amalgamation with PODA Technologies effective March 1, 2022.
"Asset Purchase Agreement"	means the asset purchase agreement dated May 13, 2022, among the Company, the Owners and Altria, pursuant to which the Company and the Owners agreed to sell, respectively, and Altria agreed to purchase, the Company Purchased Assets and the Owner Purchased Assets, as such agreement may be subsequently amended, supplemented or otherwise modified.
"associate"	has the meaning ascribed thereto in the Securities Act.
"Assumed Contracts"	means certain contracts of the Company or the Owners to be assigned by the Company, the Owners, or any one of them, to Altria, in each case in accordance with the Asset Purchase Agreement.
"BCBCA"	means the *Business Corporations Act* (British Columbia).
"BCSC"	means the British Columbia Securities Commission.

"Broadridge"	means Broadridge Financial Solutions, Inc.
"broker non-votes"	has the meaning ascribed thereto under "*How to Vote your Shares – Quorum*".
"Business"	means the business of the Company as currently conducted or presently contemplated to be conducted, including the manufacturing, marketing, promoting, distributing, licensing, selling, acquiring, holding, designing, and developing of heat-not-burn and heat-not-burn related products and related accessories.
"Business Day"	means each day other than a Saturday, Sunday or other day on which banks in New York, New York or Vancouver, British Columbia are not required by Law to be open.
"Canadian Securities Laws"	means the Securities Act, together with all other applicable federal and provincial Securities Laws and the rules and regulations and published policies of the securities authorities thereunder, as now in effect and as they may be promulgated or amended from time to time, and includes the rules and policies of the CSE.
"Canadian Securities Regulators"	means the BCSC and the other securities regulatory authorities in the provinces of Canada in which the Company is a reporting issuer.
"Capital Distribution"	has the meaning ascribed thereto under "*Capital Reductions and Return of Capital - Background to the Capital Reductions and Return of Capital*".
"Capital Reductions"	means, together, the SVS Capital Reduction and the MVS Capital Reduction.
"Capital Reduction Resolutions"	means, together, the SVS Capital Reduction Resolution and the MVS Capital Reduction Resolution.
"Change in Recommendation"	has the meaning ascribed thereto under "*The Asset Purchase Agreement – Termination*".
"Change of Control Amounts"	has the meaning ascribed thereto under "*Interests of Certain Persons in the Sale Transaction*".
"Circular"	means the accompanying Notice of Meeting and this management information circular, including all schedules, appendices and exhibits hereto, as amended, supplemented or otherwise modified from time to time.
"Closing"	means the completion of the transactions contemplated by the Asset Purchase Agreement.
"Closing Date"	means the date of the Closing, which is currently anticipated to take place in the second quarter of 2022.
"Company" or "PODA"	means Poda Holdings, Inc., a company existing under the BCBCA.
"Company Assumed Liabilities"	means (a) all Liabilities of the Company arising under or relating to the Assumed Contracts, but only to the extent that such Liabilities are required to be performed after Closing and do not relate to any failure to perform, improper performance, warranty, breach, default or violation by the Company on or prior to the Closing; and (b) all other Liabilities to the extent such Liabilities arise

	out of or relate to Altria's ownership or use of the Company Purchased Assets after the Closing and are not an Excluded Liability.
"Company Filings"	has the meaning ascribed thereto under "*The Asset Purchase Agreement - Non-Solicitation*".
"Company Purchase Price"	means US$55,275,000, the consideration payable to the Company by Altria for the purchase of the Company Purchased Assets under the Asset Purchase Agreement.
"Company Purchased Assets"	means, all right, title and interest of the Company, in and to all of the assets, properties, rights, titles and interests of every kind and nature owned, licensed or leased by the Company, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired (other than the Excluded Assets), that relate to, or are used or held for use in connection with, the Business, including all right, title and interest in and to the following: (i) all Company Technology and associated intellectual property; (ii) all Assumed Contracts to which the Company is a party; (iii) all Inventory of the Company; (iv) all equipment used in the Business, related to Company Technology; (v) all permits and licenses used in the Business or related to the Company Technology; (vi) all rights to any actions of any nature available to or being pursued by the Company to the extent related to its Business, the Company Purchased Assets or Company Assumed Liabilities, whether arising by way of counterclaim or otherwise; (vii) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees (including any such item relating to the payment of taxes) related to the Company Purchased Assets or Assumed Contracts to which the Company is a party; (viii) all of the Company's rights under warranties, indemnities and all similar rights against third parties to the extent related to any Company Purchased Assets or Assumed Contracts; (ix) all books and records in whatever form and all files relating to the Company Technology; and (x) all goodwill and the going concern value of the Business.
"Company Technology"	means all Technology and associated intellectual property owned by or licensed to or from the Company that is used or held for use in the Business, including without limitation the A&R Royalties Agreement.
"Conversion Ratio"	means the conversion ratio according to which the MVS may be converted into SVS in accordance with the Articles, which as of the date of this Circular is 1,000 SVS for each MVS converted.
"Court"	means the Supreme Court of British Columbia.
"COVID-19"	means the novel coronavirus first identified in December 2019.
"CRA"	means the Canada Revenue Agency.
"CSE"	means the Canadian Securities Exchange.
"Dissent Rights"	means the rights of dissent of Shareholders in respect of the Sale Resolution in accordance with the BCBCA.
"Dissenting Shareholder"	means a Registered Shareholder who has properly exercised his, her or its Dissent Rights in respect of the Sale Resolution in accordance with the

	provisions of the BCBCA and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of the PODA Shares held by such Registered Shareholder.
"Dissenting Shares"	means the PODA Shares in respect of which a Dissenting Shareholder dissents.
"Distribution"	means the proposed distribution of cash by the Company to the Shareholders, described herein, to be composed of the Capital Distribution and the Dividend.
"Distribution Record Date"	has the meaning ascribed thereto under "*Capital Reductions and Return of Capital - Background to the Capital Reductions and Return of Capital*".
"Dividends"	means one or more dividends that may be declared by the PODA Board on the PODA Shares and paid from the net proceeds of the Sale Transaction, in such amounts and on such terms as may be determined by the PODA Board, in its sole discretion.
"Effective Time"	means 12:01 a.m. Eastern Time on the Closing Date.
"Employment Agreements"	has the meaning ascribed thereto under "*Interests of Certain Persons in the Sale Transaction*".
"Excluded Assets"	means the following assets of the Company: (a) all shares or stock and other ownership interest in the Company or any of its Subsidiaries; (b) contracts that are not Assumed Contracts; (c) the corporate seals, organizational documents, minute books, share ledgers and registers, tax returns, books of account, ledgers, financial and accounting records, or other records having to do with the corporate organization of the Company, any Subsidiary of the Company or the business of the Company or any of its Subsidiaries related to those excluded products, services and contracts; (d) all employee benefit plans and assets attributable thereto; (e) all cash and cash equivalents of the Company or any of its Subsidiaries; (f) any accounts receivable of the Company, any Subsidiary of the Company, or any Owner; (g) all of the rights, claims or causes of action of the Company or any of its Subsidiaries against third Persons to the extent they relate to the Excluded Assets or the Excluded Liabilities; (h) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees (including any such item relating to the payment of taxes) related to the Excluded Assets or the business of the Company or any of its Subsidiaries related to those excluded products, services and contracts; and (i) other assets, properties and rights specifically agreed and identified between the parties as excluded, all as more particularly described in the Asset Purchase Agreement.
"Excluded Liabilities"	means any and all Liabilities of the Company, any Subsidiary of the Company, or any Owner other than the Company Assumed Liabilities or Owner Assumed Liabilities, as applicable, including the following: (a) any Liability of the Company, any Subsidiary of the Company or any Owner arising or incurred in connection with the negotiation, preparation, investigation and performance of the Asset Purchase Agreement, the other documents and transactions contemplated hereby and thereby, including fees and expenses of counsel, accountants, consultants, advisers and others; (b) any Liabilities arising out of or relating to violations or alleged violations by the Company, any Affiliates of the Company, any Owner or any partner, officer, director, manager, equityholder, employee, consultant or agent thereof acting on any of their

	respective behalves (as it relates to the Business) of any Foreign Corrupt Practices Act of 1977, as amended, the *Corruption of Foreign Public Officials Act* (Canada) or any or under any other Law of any relevant jurisdiction covering a similar subject matter applicable to the Company, any Subsidiary of the Company or any Owner or their respective businesses and operations; (c) any Liabilities arising out of or relating to violations or alleged violations by the Company, any Affiliates of the Company or any Owner of any applicable export restrictions including, sales or the transaction of business with Persons located, organized or resident in a country or territory that is subject to the economic sanctions or trade embargoes administered, imposed or enforced by the U.S. Treasury Office of Foreign Assets Control, Government of Canada or any other Governmental Authority; (d) any Liabilities relating to or arising out of the Excluded Assets or the business of the Company or any of its Subsidiaries related to those excluded products, services and contracts; (e) any Liability under any contract that is not an Assumed Contract; (f) any Liability of the Company, any Subsidiary of the Company or any Owner arising under or in connection with any employee benefit plan; (g) any Liability of the Company, any Subsidiary of the Company or any Owner to any present or former employees, officers, directors, retirees, independent contractors or consultants of the Company, any Subsidiary of the Company or any Owner, including any Liability associated with any claims for wages or other benefits, bonuses, accrued vacation, workers' compensation, severance, retention, termination or other payments; (h) any claims, actions, governmental orders or other Liability relating to or arising out of any violation of applicable environmental law or release of any hazardous substance, or otherwise to the extent arising out of any actions or omissions of the Company, any Subsidiary of the Company, or any Owner; (i) any accounts payable of the Company, any Subsidiary or any Owner; (j) any Liability associated with indebtedness of the Company, any Subsidiary of the Company or the Owners; (k) any Liability associated with existing or unresolved consumer complaints or a recall; (l) any taxes of the Owners, the Company and any of the Company's Subsidiaries; and (m) other Liabilities of the Company or any of its Affiliates as specifically agreed and identified between the parties as excluded, all as more particularly described in the Asset Purchase Agreement.
"executive officer"	has the meaning ascribed thereto in National Instrument 51-102 – *Continuous Disclosure Obligations*.
"Fairness Opinion"	means the opinion of Stifel GMP to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be received by the Company pursuant to the Sale Transaction is fair, from a financial point of view, to the Company, a copy of which is attached as Appendix "F" to this Circular.
"forward-looking information"	has the meaning ascribed thereto under "*Cautionary Note Regarding Forward-Looking Information*".
"Governmental Authority"	means any transnational, domestic or foreign federal, state, provincial, territorial, municipal or local governmental, legislative, judicial, executive, regulatory or administrative authority, department, court (including any arbitral body or tribunal), agency, securities commission, stock exchange, branch, board, department, instrumentality, entity, commission or official, including any political subdivision thereof, or any non-governmental self-regulatory

	agency, commission or authority, whether of the United States, Canada or another country.
"GTNF"	means the Global Tobacco & Nicotine Forum held in London, United Kingdom in September 2021.
"heat-not-burn"	means the vaporization, as opposed to the combustion, of tobacco.
"High Standard"	means High Standard Capital Corp.
"High Standard Agreement"	means the Management Services Agreement between High Standard and PODA Technologies dated January 1, 2019, to which the Company is the successor by virtue of amalgamation with PODA Technologies.
"High Standard Fee"	means the fee of 3% of US$55,275,000 payable to High Standard under the High Standard Agreement upon completion of the Sale Transaction, equal to US$1,658,250.
"Holder"	has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations*".
"Indemnity Escrow Amount"	means US$10,050,000.
"Indication of Interest"	has the meaning ascribed thereto under "*Business of the Meeting – Background to the Sale Transaction*".
"Intermediary"	means an intermediary such as a bank, trust company, securities dealer, broker, trustee or administrator of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan or similar plan or other nominee.
"Inventory"	means all pods, devices, inventory, raw and packaging materials, product samples, pellets, pellets in progress, work-in-progress, finished goods, supplies and similar items related to, used or held for use by the Company or the Owners in connection with the Business in the possession of the Company as of the Closing Date.
"Law" or "Laws"	means, any Canadian, United States or other federal, state, provincial, territorial, local, municipal, foreign, international, multinational or other law, treaty, rule, order, regulation, statute, ordinance, code, decree, directive, decision or other binding requirement of any Governmental Authority of any kind and the rules, regulations, policies and orders promulgated thereunder.
"Liabilities"	means, with respect to a Person, any liabilities, debts, claims, expenses, commitments, losses and obligations of every kind and description, whether asserted or unasserted, known or unknown, contingent or absolute, accrued or unaccrued, matured or unmatured or otherwise, of such Person.
"Management Services Agreements"	has the meaning ascribed thereto under "*Interests of Certain Persons in the Sale Transaction*".
"Matching Period"	has the meaning ascribed thereto under "*The Asset Purchase Agreement - Non-Solicitation*".

"Material Adverse Effect"	means any circumstance, change, effect, event, occurrence, state of facts or development that has, or would be reasonably likely to have, a material adverse effect on the assets, liabilities, business, results of operations or financial condition of the Business, except that none of the following shall be taken into account in determining whether there has been a Material Adverse Effect: any adverse circumstance, change, effect, event, occurrence, state of facts or development to the extent the same attributable to: (a) national, international or regional economic, social, political, regulatory or financial conditions, including the engagement in hostilities, whether or not pursuant to the declaration of a national emergency or war, the occurrence of any actual or threatened military actions or acts of terrorism or any "act of God" including weather, natural disasters, earthquakes, epidemics, pandemics or disease outbreaks (including the novel coronavirus (and any resulting COVID-19 or related sickness)) or any response by any Governmental Authority thereto; (b) the conditions of any financial, banking, or securities markets (including any disruption thereof, any decline in the price of any security or any market index or any change in currency exchange rates); (c) any change in applicable Laws, including any Laws with respect to Taxes, IFRS or regulatory accounting requirements, in each case after the date hereof; (d) any change in the market price or trading volume of any securities of the Company or any suspension of trading in securities generally on the CSE, or any credit rating downgrade, negative outlook, watch or similar event related to the Company (provided, however, that the causes underlying such change, suspension, downgrade, negative outlook, watch or similar event (as applicable) may be considered to determine whether such change constitutes a Material Adverse Effect unless otherwise excluded by clauses (a) through (f)); (e) any action taken (or omitted to be taken) by the Company or the Owners pursuant to the Asset Purchase Agreement (other than the general obligation of the Company to operate in the Ordinary Course of Business thereunder) or which is consented to in writing by Altria; and/or (f) the announcement of the Asset Purchase Agreement or the pendency or consummation of the Asset Purchase Agreement or the transactions contemplated herein (provided, that this shall not apply to any representation or warranty set forth in Section 4.2 of the Asset Purchase Agreement or any condition related to such representation or warranty); unless and except to the extent, in the case of the foregoing clauses (a) through (d), such circumstance, change, effect, event, occurrence, state of facts or development adversely affects the Business in a disproportionate manner relative to other Persons that operate in the same or similar lines of business as the Business (in which case such circumstance, change, effect, event, occurrence, state of facts or development will be taken into account in determining whether there has been a Material Adverse Effect to the extent of such disproportionate adverse effect).
"Meeting"	means the special meeting of Shareholders, including any adjournment or postponement thereof to consider and if thought fit, adopt, the Resolutions.
"Meeting Materials"	has the meaning ascribed thereto under "*General Proxy Information – How to Vote - Non-Registered Shareholders*".
"misrepresentation"	has the meaning ascribed thereto in the Securities Act.
"MVS"	means the shares of the Company designated as multiple voting shares, each convertible into 1,000 SVS in accordance with the terms of the Articles and each entitling the holder thereof to 1,000 votes per share at meetings of Shareholders.

"MVS Amendment"	has the meaning ascribed thereto under "*Amendments to the Articles*".
"MVS Amendment Resolution"	has the meaning ascribed thereto under "*Amendments to the Articles*".
"MVS Capital Distribution Amount"	has the meaning ascribed thereto under "*Background to the Capital Reduction and Return of Capital*".
"MVS Capital Reduction"	means the reduction in the capital of the MVS by an amount equal to all of the paid-up capital of the MVS.
"MVS Capital Reduction Resolution"	means the special resolution of the MVS Shareholders to be considered at the Meeting, approving the reduction in capital of the MVS by the MVS Capital Distribution Amount, substantially in the form set out in Appendix "C" hereto.
"MVS Shareholders"	means the registered or beneficial holders of the MVS.
"NI 51-102"	means National Instrument 51-102 – *Continuous Disclosure Obligations*.
"NI 52-110"	means National Instrument 52-110 - *Audit Committees*.
"NI 54-101"	means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.
"Non-Registered Shareholder"	means a non-registered holder of PODA Shares whose PODA Shares are registered in the name of an Intermediary.
"Non-Resident Holder"	has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations - Non-Residents of Canada*".
"Notice of Articles"	means the Notice of Articles of the Company filed with the British Columbia Registrar of Companies.
"Notice of Dissent"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets – Dissent Rights*".
"Notice of Intention"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets - Dissent Rights*".
"Notice of Meeting"	means the Notice of Special Meeting of Shareholders that accompanies this Circular.
"Offer Conversion Right"	has the meaning ascribed thereto under "*Restricted Securities*".
"Outside Date"	means August 11, 2022.
"Owners"	means collectively, Ryan Selby and Ryan Karkairan, and "**Owner**" means any one of them.
"Owner Assumed Liabilities"	means (a) all Liabilities of the Owners arising under or relating to the Assumed Contracts but only to the extent that such Liabilities are required to be performed after Closing and do not relate to any failure to perform, improper performance, warranty, breach, default or violation by the Owners on or prior to the Closing; and (b) all other Liabilities relating to the Owners to the extent

	such Liabilities arise out of or relate to Altria's ownership or use of the Owner Purchased Assets after the Closing and are not an Excluded Liability.
"Owner Purchase Price"	means US$45,225,000, the consideration payable to the Owners by Altria for the purchase of the Owner Purchased Assets under the Asset Purchase Agreement.
"Owner Purchased Assets"	means, all right, title and interest of the Owners, in and to all of the assets, properties, rights, titles and interests of every kind and nature owned, licensed or leased by the Owners, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired (other than the Excluded Assets), that relate to, or are used or held for use in connection with, the Business, including all right, title and interest in and to the following: (a) all Owner Technology and associated intellectual property; (b) all Assumed Contracts to which the Owners are a party; (c) all equipment related to Owner Technology; (d) all permits and licenses related to the Owner Technology; (e) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees related to the Owner Purchased Assets or Assumed Contracts to which the Owners are party; and (f) all books and records in whatever form and all files relating to the Owner Technology.
"Owner Technology"	means all Technology and associated intellectual property owned by the Owners and licensed to or from the Company that is used or held for use in the Business, including without limitation, such Technology and intellectual property related to heat-not-burn as is licensed to the Company under the A&R Royalties Agreement.
"Payout Value"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Assets – Dissent Rights*".
"Person"	means any individual, partnership, civil company, joint venture, firm, corporation, association, trust, estate, limited liability company, unincorporated organization, Governmental Authority or other entity, whether or not having legal status.
"PODA Board"	means the board of directors of the Company as constituted from time to time.
"PODA Device"	means the heating device component of the PODA System, designed to heat the contents of the PODA Pods to the desired temperature to aerosolize substances contained within the PODA Pods.
"PODA Holder Securities"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets – Voting Agreements*".
"PODA Listing Statement"	means the Company's CSE Form 2A Listing Statement dated April 28, 2021.
"PODA Locked-Up Shareholders"	means all of the directors and senior officers of PODA, together with certain other Shareholders holding PODA Shares carrying approximately 38.91% of the votes attached to the issued and outstanding PODA Shares.
"PODA Names"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets - The Asset Purchase Agreement - Post-Closing Covenants*".

"PODA Pod"	means the consumable stick component of the PODA System, designed with an airflow path that isolates the substance to be heated therein, and any aerosols produced, from the PODA Device.
"PODA Share"	means a share in the authorized share structure of the Company, and includes the SVS and the MVS.
"PODA System"	means PODA's heat-not-burn system for consumption of tobacco, consisting largely of the PODA Device and the PODA Pods.
"PODA Technologies"	means Poda Technologies Ltd., a wholly owned Subsidiary of the Company which amalgamated with the Company on March 1, 2022
"Proposed Amendments"	has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations*".
"proxyholder"	means a Person that is duly appointed by a Shareholder to be that Shareholder's representative at the Meeting.
"Record Date"	means May 18, 2022.
"Registered Shareholder"	means a registered holder of PODA Shares who is in possession of a physical share certificate or who is entitled to receive a physical share certificate and whose name and address are recorded in the Company's central securities register maintained by the Transfer Agent.
"Return of Capital"	means a return of capital on the MVS and the SVS in accordance with the special rights and restrictions as to participation in returns of capital of each such class as varied by the Amendment Resolutions.
"Resident Holder"	has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations - Residents of Canada*".
"Resolutions"	means, collectively, the Sale Resolution, the SVS Capital Reduction Resolution and the MVS Capital Reduction Resolution.
"Sale Resolution"	means the special resolution of the Shareholders to be considered at the Meeting, approving the Sale Transaction, substantially on the terms and in the form set out in Appendix "A" hereto.
"Sale Resolution Board Recommendation"	has the meaning ascribed thereto under "*Sale of All or Substantially All of the Company's Assets*".
"Sale Transaction"	means the acquisition by Altria of the Company Purchased Assets in exchange for the Company Purchase Price, in accordance with the terms of the Asset Purchase Agreement.
"Securities Act"	means the *Securities Act* (British Columbia), as amended from time to time.
"Securities Laws"	means Canadian Securities Laws, the Securities Act of 1933 (United States), as amended, and the rules and regulations and published policies thereunder, and the Securities Exchange Act of 1934 (United States), as amended, and the rules and regulations and published policies thereunder.

"SEDAR"	means the System for Electronic Document Analysis and Retrieval as outlined in National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval*, which can be accessed online at www.sedar.com.
"Shareholders"	means, collectively, the SVS Shareholders and the MVS Shareholders.
"Special Committee"	means the special committee of independent directors of the Company as constituted from time to time.
"Stifel GMP"	means Stifel Nicolaus Canada Inc., the financial advisor to the Special Committee.
"Stifel GMP Engagement Letter"	means the engagement agreement entered into between Stifel GMP and the Special Committee dated February 25, 2022.
"Subsidiary"	means with respect to any Person, any other Person of which such Person (either alone or through or together with any other Subsidiary) owns, directly or indirectly, a majority of the outstanding equity securities or securities carrying a majority of the voting power in the election of the board of directors or other governing body of such Person (or is entitled to the majority of the profits or holds a majority of the partnership or similar interests of such Person).
"Superior Proposal"	has the meaning ascribed thereto under "*The Asset Purchase Agreement – Non-Solicitation*".
"Superior Proposal Notice"	has the meaning ascribed thereto under "*The Asset Purchase Agreement - Non-Solicitation*".
"SVS"	means the shares of the Company designated as subordinate voting shares, each entitling the holder thereof to one vote per share at meetings of Shareholders.
"SVS Amendment"	has the meaning ascribed thereto under "*Amendments to the Articles*."
"SVS Amendment Resolution"	has the meaning ascribed thereto under "*Amendments to the Articles*."
"SVS Capital Distribution Amount"	has the meaning ascribed thereto under "*Background to the Capital Reduction and Return of Capital*".
"SVS Capital Reduction"	means the reduction in the capital of the SVS by an amount per SVS equal to 0.1% of the amount of the MVS Capital Reduction on a per MVS basis, in accordance with the Articles.
"SVS Capital Reduction Resolution"	means the special resolution of the SVS Shareholders to be considered at the Meeting, approving the reduction in capital of the SVS by the SVS Capital Distribution Amount, substantially in the form set out in Appendix "C" hereto.
"SVS Shareholders"	means the registered or beneficial holders of the SVS.
"Tax Act"	means the *Income Tax Act* (Canada), including all regulations made thereunder, as amended from time to time.
"Technology"	means all apparatus, equipment, compositions, processes, products, prototypes, discoveries, ideas, inventions, formulae, designs, drawings and other documents, consumer research methods and data, testing protocols, product

	specifications, manufacturing processes, know-how and other technology and intellectual property, whether or not patentable, that is used or useful in manufacturing, marketing, promoting, distributing, selling, designing or developing of (a) heat-not-burn or heat-not-burn-related products (including devices, consumables and components thereof), related accessories, or any other inhalable products and related accessories (whether or not regulated by the U.S. Food and Drug Administration as of the date of the Asset Purchase Agreement or thereafter), or (b) devices, compositions, or methods disclosed in the certain patents identified by the Company and Owners to Altria, including devices, consumables, compositions, components thereof and methods of manufacturing conceived, developed or under development by the Company or the Owners.
"Technology Holdback Amount"	means US$5,000,000.
"Termination Fee"	means US$5,025,000.
"Termination Fee Event"	has the meaning ascribed thereto under "*The Asset Purchase Agreement - Termination*."
"Transfer Agent"	means Endeavor Trust Corporation.
"United States" or "U.S."	means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.
"U.S. Holder"	has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations - Non-Residents of Canada*".
"VIF"	means a voting instruction form.
"Voting Agreements"	means, collectively, the respective voting support agreements dated May 13, 2022, between Altria and each of the PODA Locked-Up Shareholders setting forth the terms and conditions upon which the PODA Locked-Up Shareholders have agreed, among other things, to vote their PODA Shares FOR the Sale Resolution.

NOTICE TO SHAREHOLDERS OUTSIDE OF CANADA

PODA is a company existing under the laws of the Province of British Columbia. The solicitation of proxies in connection with the approval of the matters described in the Notice of Meeting and this Circular is being effected in accordance with British Columbia corporate laws and Canadian Securities Laws.

Certain information concerning tax consequences of the Capital Distribution for Shareholders who are not resident in Canada is set forth under the headings "C*ertain Canadian Federal Income Tax Considerations - Non-Residents of Canada*". Shareholders who are not residents of Canada for purposes of the Tax Act should be aware that any Capital Distribution may have tax consequences both in Canada and in any applicable foreign jurisdiction in which the Shareholder is subject to tax. Such foreign tax considerations are not described herein. It is recommended that Shareholders consult their own tax advisors in this regard.

The enforcement by Shareholders of civil liabilities under United States federal securities laws or the securities laws of other jurisdictions outside of Canada may be affected adversely by the fact that PODA is incorporated under the laws of the province of British Columbia. A Shareholder may not be able to sue PODA or its officers or directors in a Canadian court for violations of U.S. or other foreign securities laws. Moreover, it may be difficult to compel PODA to subject itself to a judgment of a court outside of Canada.

Neither the CSE, nor any securities regulatory authority has approved or disapproved the Sale Transaction, the terms of the Asset Purchase Agreement, nor, passed upon the merits or fairness of the Sale Transaction or the adequacy or accuracy of the disclosure in this Circular. Any representation to the contrary is a criminal offense.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Circular contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation ("**forward looking information**"). Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this Circular. Examples of such statements include statements with respect to the timing and outcome of the Sale Transaction; the intentions, plans and future actions of PODA; the timing for the completion of the Sale Transaction; the anticipated benefits of the Sale Transaction; the likelihood of the Sale Transaction being completed; certain of the expectations of the Special Committee and the PODA Board with respect to the benefits of the Sale Transaction; the satisfaction or waiver of the closing conditions set out in the Asset Purchase Agreement; the receipt and the use of the net proceeds to be received by the Company in connection with the Sale Transaction; the timing and amount of any Distribution; and the potential tax consequences to Shareholders of any Distribution. To the extent any forward-looking information constitutes future-oriented financial information or financial outlook, such information is being provided to describe the matters set forth in the Circular, and readers are cautioned this information may not be appropriate for any other purpose, including investment decisions, and the reader should not place undue reliance on such future-oriented financial information and financial outlooks.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Asset Purchase Agreement; the ability of the parties to the Asset Purchase Agreement to satisfy, in a timely manner, the conditions to closing of the Sale Transaction; risks related to certain directors and executive officers of PODA having interests in the transactions contemplated by the Asset Purchase Agreement that are different from those of other Shareholders; risks relating to the possibility that holders of the PODA Shares may exercise their right to dissent; the available funds of the Company and the anticipated use of such funds; changes in general economic, business and political conditions, including changes in the financial and stock markets; risks related to infectious diseases, including the impacts of the COVID-19; legal and regulatory risks inherent in the industry in which the Company operates, including political risks and risks relating to regulatory change; risks relating to anti-money laundering Laws; compliance with extensive government regulation and the interpretation of various Laws regulations and policies; risk associated with divesting certain assets; public opinion and perception of the industry in which the Company operates; and such other risks set forth under the heading "Risk Factors" below and those contained in the public filings of the Company filed with Canadian Securities Regulators and available under the Company's profile on SEDAR at www.sedar.com, including the PODA Listing Statement.

In respect of the forward-looking information concerning the anticipated benefits and completion of the matters put forward to the Shareholders for a vote at the Meeting, the Company has provided such statements and information in reliance on certain assumptions that the Company believes are reasonable at this time. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this Circular are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. Unless otherwise provided, the forward-looking information included in this Circular are made as of the date of this Circular. The Company does not undertake any obligation to update, publicly or otherwise, any forward-looking information to reflect new information, subsequent events or otherwise unless required by applicable Canadian Securities Laws. There can be no assurance that the Sale Transaction will occur, or that such events will occur on the terms and conditions contemplated in this Circular. The Asset Purchase Agreement could be modified, restructured or terminated. Forward-looking information is information about the future and is inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking information as a result of, among other things, the matters set out in this Circular generally and economic and business factors, some of which may be beyond the control of the Company. The Company expressly disclaims any intention or obligation to update or revise any information contained in this Circular (including forward-looking information) except as required by applicable Laws,

and Shareholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward-looking information.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting to be held at 1:30 pm (Pacific time) on June 22, 2022 and at any adjournment or postponement thereof for the purposes set forth in the accompanying Notice of Meeting.

The solicitation of proxies will be made primarily by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Company. Directors, officers and employees of the Company will not receive any extra compensation for such activities. The Company may pay brokers or other Persons holding PODA Shares in their own names, or in the names of nominees, for their reasonable expenses for sending forms of proxy and this Circular to beneficial owners of PODA Shares and obtaining proxies therefrom. The cost of any such solicitation will be borne by the Company.

No Person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Company. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

Meeting Format

The Company intends to hold the Meeting in person, and there will be no opportunity for Shareholders to participate via other mediums. The Company encourages Shareholders to vote their PODA Shares in advance of the Meeting via mail, telephone, facsimile or online.

The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak, including changing the Meeting date, time, location and/or means of holding the Meeting. Such changes will be announced by way of press release. Shareholders are advised to monitor the Company's website at www.poda-holdings.com or the Company's profile on SEDAR at www.sedar.com, where copies of such press releases, if any, will be posted. Shareholders are advised to check the Company's website regularly for the most current information. The Company does not intend to prepare an amended Circular in the event of changes to the Meeting format.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting (including Non-Registered Shareholders who wish to appoint themselves as proxyholder to attend, participate in or vote at the Meeting) **MUST** submit their duly completed proxy or VIF, as applicable, in advance of the proxy cut-off at 1:30 PM (Pacific time) on June 20, 2022. See "*Appointment of a Third-Party as a Proxy*". Non-Registered Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting but will not be able to vote at the Meeting.

No Shareholder or proxyholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person.

Record Date

Only Shareholders of record at the close of business on May 18, 2022 will be entitled to receive notice of and to vote at the Meeting, or any adjournment or postponement thereof. No Shareholder who becomes a Shareholder after the Record Date shall be entitled to notice of, or to vote at, the Meeting.

Appointment of a Third-Party as a Proxy

The following applies to Shareholders who wish to appoint a Person, other than the management nominees set forth in the form of proxy or VIF, as proxyholder, including Non-Registered Shareholders who wish to appoint themselves as proxyholder to attend, participate in or vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to attend, participate in or vote at the Meeting as their proxy **MUST** submit their proxy or VIF, as applicable, appointing such third-party proxyholder as described below.

To appoint a third-party proxyholder, insert such Person's name in the blank space provided in the form of proxy or VIF (if permitted) and follow the instructions for submitting such form of proxy or VIF. If you are a Non-Registered Shareholder located in the United States, you must also provide the Transfer Agent with a duly completed legal proxy if you wish to attend, participate in or vote at the Meeting or, if permitted, appoint a third-party as your proxyholder. See "*General Proxy Information - Legal Proxy – U.S. Non-Registered Shareholders*" for additional details.

If you are a Non-Registered Shareholder and wish to vote at the Meeting in person, you have to insert your own name in the space provided on the VIF sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary. By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary.

The Persons named in the form of proxy accompanying this Circular are directors and/or officers of the Company. A Shareholder has the right to appoint a Person (who need not be a Shareholder), other than the Persons whose names appear in such form of proxy, to attend and act for and on behalf of such Shareholder at the Meeting virtually and at any adjournment or postponement thereof. Such right may be exercised by either striking out the names of the Person specified in the form of proxy and inserting the name of the Person to be appointed in the blank space provided in the form of proxy, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Transfer Agent in time for use at the Meeting in the manner specified in the Notice of Meeting or depositing the completed and executed form of proxy with the Chair of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

Legal Proxy – U.S. Non-Registered Shareholders

If you are a Non-Registered Shareholder located in the United States and wish to vote at the Meeting or, if permitted, appoint a third-party as your proxyholder, in addition to the steps described herein, you must obtain a valid legal proxy from your Intermediary. Follow the instructions from your Intermediary included with the legal proxy form and VIF sent to you, or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your Intermediary, you must then submit such legal proxy to the Transfer Agent.

HOW TO VOTE YOUR SHARES

Your vote is important. Please read the information below so that your PODA Shares are properly voted.

Registered Shareholders and Non-Registered Shareholders

How you vote your PODA Shares depends on whether you are a Registered Shareholder or a Non-Registered Shareholder. In either case, there are two ways you can vote at the Meeting – by appointing a proxyholder or by attending the Meeting.

Registered Shareholder

You are a Registered Shareholder if you hold one or more share certificates which indicate your name and the number of PODA Shares which you own. As a Registered Shareholder, you will receive a form of proxy from the Transfer Agent representing the PODA Shares you hold. If you are a Registered Shareholder refer to "How to Vote – Registered Shareholders" below.

Non-Registered Shareholder

You are a Non-Registered Shareholder if an Intermediary such as a securities dealer, broker, bank, trust company or other nominee holds your PODA Shares for you, or for someone else on your behalf, registered in the name of the

nominee. In accordance with Canadian Securities Laws, the Company distributes copies of its Meeting Materials to Non-Registered Shareholders by sending them to Intermediaries for onward distribution to Non-Registered Shareholders. As a Non-Registered Shareholder, you will most likely receive a VIF from Broadridge on behalf of the Intermediary holding your PODA Shares. It is also possible, however that in some cases you may receive a form of proxy directly from the Intermediary holding your PODA Shares. If you are a Non-Registered Shareholder, refer to "*How to Vote – Non-Registered Shareholders*" below.

Intermediaries who hold PODA Shares in "street name" for a Non-Registered Shareholder typically have the authority to vote in their discretion on "routine" proposals when they have not received instructions from the Non-Registered Shareholder. However, Intermediaries are not allowed to exercise their voting discretion with respect to the approval of matters that are "non-routine," such as approval of any of the Resolutions proposed to be put forth at the Meeting, without specific instructions from the Non-Registered Shareholder. "Broker non-votes" refers to PODA Shares held by an Intermediary that are present in person or otherwise represented at the Meeting, but with respect to which the Intermediary is not instructed by the Non-Registered Shareholder to vote on the particular proposal and the Intermediary does not have discretionary voting power with respect to such proposal. Because all proposals for the Meeting are non-routine and non-discretionary, PODA anticipates that there will not be any broker non-votes in connection with the Resolutions. If an Intermediary holds your PODA Shares in "street name," your Intermediary will vote your PODA Shares only if you provide instructions on how to vote by filling out the VIF sent to you by your Intermediary with this Circular.

How to Vote – Registered Shareholders

If you are a Registered Shareholder you may either vote by proxy or at the Meeting in person.

Submitting Votes by Proxy

There are four ways to submit your vote by proxy, in accordance with the instructions on the form of proxy:

By Mail or Hand Delivery:	Endeavor Trust Corporation 702 – 777 Hornby Street Vancouver, BC V6Z 1S4
Facsimile:	604-559-8908
Email:	proxy@endeavortrust.com
Online:	As listed on Form of Proxy or Voter Information Card

Each completed form of proxy must be submitted no later than 1:30 PM (Pacific time) on June 20, 2022, or, in the event that the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the reconvened Meeting or any adjournment or postponement thereof.

If you are voting by facsimile or internet, you will need the pre-printed control number and holder account number on your form of proxy.

A form of proxy submitted by mail must be in writing, dated the date on which you signed it and signed by you (or your authorized attorney). If a form of proxy submitted by mail is not dated, it will be deemed to bear the date on which it was sent to you.

Revocation of Proxies

A Registered Shareholder who has given a proxy may revoke the proxy at any time prior to use by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature, or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof, or by transmitting by telephone or electronic means, a revocation signed, subject to the BCBCA, by electronic signature either: (i) to the head office of the Company, located at Suite 2800 Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2Z7, at any time prior to 5:00 p.m. (Pacific time) on the last Business Day preceding the day of the Meeting or any adjournment or postponement thereof; (ii) in person

with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, prior to the start of the Meeting or any adjournment or postponement thereof; or (iii) in any other manner permitted by Law.

Exercise of Discretion by Proxies

The PODA Shares represented by a valid form of proxy will be voted on any ballot that may be conducted at the Meeting, or at any adjournment or postponement thereof, in accordance with the instructions contained on the form of proxy and, if the Shareholder specifies a choice with respect to any matter to be acted on, the PODA Shares will be voted accordingly. **In the absence of instructions, the Persons named in the form of proxy will vote such PODA Shares <u>FOR</u> each Resolution.**

The enclosed form of proxy(ies), when properly completed and signed, confers discretionary authority upon the Persons named therein to vote on any amendments to or variations of the matters described in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment or postponement thereof, whether or not any amendments variations or other matters are routine or contested. As at the date hereof, management of the Company knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matter which is not now known to management of the Company should properly be brought before the Meeting, or any adjournment or postponement thereof, the PODA Shares represented by such proxy will be voted on such matter in accordance with the judgment of the Persons named as proxy thereon.

Signing of Proxy

The form of proxy must be signed by a Registered Shareholder or the duly appointed attorney thereof authorized in writing or, if the Registered Shareholder is a corporation, by an authorized officer of such corporation, whose title should be indicated, and the corporate seal affixed if the corporation has a corporate seal. A form of proxy signed by the Person acting as attorney of the Registered Shareholder or in some other representative capacity, including an officer of a corporation which is a Registered Shareholder, should indicate the capacity in which such Person is signing following his or her signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act. A Registered Shareholder or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such Registered Shareholder or by or on behalf of his or her attorney, as the case may be.

<u>How to Vote – Non-Registered Shareholders</u>

Only Registered Shareholders of the Company, or the Persons they appoint as their proxy, are entitled to vote at the Meeting. The PODA Shares of a Non-Registered Shareholder who beneficially owns PODA Shares will generally be registered in the name of either:

(a) an Intermediary with whom the Non-Registered Shareholder deals in respect of their PODA Shares; or

(b) a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Notice of Meeting, this Circular and the accompanying form of proxy (collectively, the "**Meeting Materials**") to the Intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless the Non-Registered Shareholders have waived the right to receive them. Intermediaries often use service companies such as Broadridge to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will be given either:

(a) a VIF which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. Typically, the VIF will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the VIF will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a VIF, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or

(b) a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of PODA Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should **properly complete the form of proxy and deposit it with Endeavor Trust Corporation as set forth above**.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the PODA Shares they beneficially own. Should a Non-Registered Shareholder who receives either a VIF or a form of proxy wish to attend and vote at the Meeting (or have another Person attend and vote on its behalf), the Non-Registered Shareholder should strike out the names of the Persons named in the form of proxy and insert the Non-Registered Shareholder's (or such other Person's) name in the blank space provided or, in the case of a VIF, follow the directions indicated on the form. Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

A Non-Registered Shareholder who has submitted a form of proxy may revoke it by contacting the Intermediary through which its PODA Shares are held and following the instructions of the Intermediary respecting the revocation of proxies.

Quorum

The quorum for the Meeting will be one Person present, being a Shareholder entitled to vote thereat or a duly appointed proxy for an absent Shareholder so entitled. In the event that a quorum is not present at the time fixed for holding the Meeting, the Meeting shall stand adjourned to such date and to such time and place as may be determined by the Shareholders present at the Meeting.

Abstentions are not counted for the purpose of determining whether a quorum is present. Because brokers do not have discretionary authority to vote on any of the proposals at the Meeting, if you do not instruct your bank, broker or other nominee to vote your PODA Shares, your PODA Shares will not be voted ("**broker non-votes**") and are not counted for the purpose of determining the presence of a quorum.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The PODA Board has fixed May 18, 2022 as the Record Date for the determination of the Shareholders entitled to receive the Notice of Meeting. Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting or at any adjournment or postponement thereof on the basis of: (i) one vote for each SVS held; and (ii) 1,000 votes for each MVS held.

To be adopted, (i) the Sale Resolution must be approved by at least 66⅔% of the votes cast at the Meeting by the holders of SVS and MVS, voting together as a single class, (ii) the SVS Amendment Resolution and the SVS Capital Reduction Resolution must each be approved by at least 66⅔% of the votes cast at the Meeting by the holders of SVS, and (iii) the MVS Amendment Resolution and the MVS Capital Reduction Resolution must each be approved by at

least 66⅔% of the votes cast at the Meeting by the holders of MVS. Abstentions and broker non-votes will not have any effect on the approval of any of the special resolutions. See "*Sale of All or Substantially All of the Company's Assets*" and "*Capital Reductions and Return of Capital - Capital Reduction Resolutions*".

Each of PODA's directors and officers (including the Owners) and certain other Shareholders, collectively holding approximately 38.91% of the votes entitled to vote at the Meeting have entered into Voting Agreements agreeing to vote their PODA Shares in favour of the Sale Resolution.

The authorized share structure of the Company consists of an unlimited number of SVS and an unlimited number of MVS. As of the date of this Circular, the Company had: (i) 104,356,679 SVS outstanding; and (ii) 48,936.545 MVS outstanding. Each MVS carries a restricted right to convert into 1,000 SVS, subject to adjustments for certain customary corporate changes.

As of the date of this Circular, the SVS carry approximately 68.08% of the voting rights attached to outstanding PODA Shares and the MVS carry approximately 31.92% of the voting rights attached to outstanding PODA Shares.

As of the date hereof, neither Altria nor any of its affiliates owns, or controls or directs, directly or indirectly, any PODA Shares.

Additional information concerning the rights attaching to the PODA Shares can be found in the PODA Listing Statement and Notice of Articles and Articles, a copy of each of which can be found at www.sedar.com under the Company's profile.

As of the date of this Circular, to the knowledge of the directors and executive officers of the Company, except as set out below, no Person beneficially owns, or controls or directs, directly or indirectly, PODA Shares carrying 10% or more of the voting rights attached to any class of PODA Shares.

Name of Shareholder	Number of SVS	SVS Votes (%)	Number of MVS	MVS Votes (%)	Aggregate Votes (%)
Invictus MD Strategies Corp.	**10,430,964**	**10.00%**	**10,430.966**	**21.32%**	**13.61%**
EMBR Capital LLC	**19,788,400**	**18.96%**	**nil**	**nil**	**18.96%**
High Standard Trust (2019)	**14,838,677**	**14.22%**	**452.418**	**0.92%**	**9.97%**

BUSINESS OF THE COMPANY

PODA's principal business activity is the design, development and commercialization of a new and improved heat-not-burn technology for the consumption of tobacco and other materials. The PODA System is a heat-not-burn system designed to provide consumers with a convenient and effective method for the inhalation of aerosols generated from the heating of tobacco and other substances. The PODA design involves two main components: the PODA Device and the PODA Pod. The PODA Device is designed to heat the contents of the PODA Pods to the desired temperature in order to aerosolize substances contained within the PODA Pods, such as tobacco. The PODA Pods are designed with an innovative and novel airflow path, which completely isolates the substance to be heated inside each Pod, and any aerosols produced, from the heating device. The PODA Pods are designed to be low-cost and disposable (compostable options are available) and are primarily intended to be sold pre-filled. The intended use case for consumers is that they purchase a pack of PODA Pods (much like a pack of cigarettes) and then insert one of the Pods into the PODA Device, which then heats the substance in the PODA Pod to the desired temperature and maintains that temperature for five minutes or until the aerosol-generating substance has been consumed by the user. The PODA Pod can then be removed from the heating device and be disposed of. Due to the isolated airflow inside the PODA Pod, the heating process can be repeated again and again without any deterioration of the heating device due to contamination from the substances and/or aerosols contained within each PODA Pod. The Company carries on its business under the license provided in the A&R Royalties Agreement with the Owners, who are the owners of the underlying patents and technology.

DESCRIPTION OF AUTHORIZED SHARE STRUCTURE

The authorized share structure of the Company consists of an unlimited number of SVS and an unlimited number of MVS.

Subordinate Voting Shares

Holders of SVS are entitled to notice of and to attend at any meeting of Shareholders, except a meeting at which only holders of another class or series of shares have the right to vote. Holders of SVS are entitled to one vote per SVS at each such meeting. Holders of SVS are entitled to receive as and when declared by the directors of the Company, dividends in cash or property of the Company. No dividend may be declared or paid on the SVS unless the Company simultaneously declares or pays equivalent dividends (on an as-converted to SVS basis) on the MVS. If the Company is liquidated, dissolved or wound-up, or if the Company makes any other distribution of assets for the purpose of winding up its affairs, the holders of SVS are, subject to the prior rights of the holders of any shares of the Company ranking in priority to the SVS, entitled to participate ratably with all other holders of SVS and MVS (on an as-converted to SVS basis).

Multiple Voting Shares

Holders of MVS are entitled to notice of and to attend at any meeting of Shareholders, except a meeting at which only holders of another class or series of shares have the right to vote. Holders of MVS are entitled to one vote in respect of each SVS into which such MVS could then be converted (currently 1,000 votes per MVS). Holders of MVS are entitled to receive such dividends as may be declared and paid to holders of the SVS, on an as-converted to SVS basis. No dividend may be declared or paid on the MVS unless the Company simultaneously declares or pays equivalent dividends (on an as-converted to SVS basis) on the SVS. If the Company is liquidated, dissolved or wound-up, or if the Company makes any other distribution of assets for the purpose of winding up its affairs, or upon a reduction or return of its capital, the holders of MVS are, subject to the prior rights of the holders of any shares ranking in priority to the MVS, entitled to participate ratably with all other holders of MVS (on an as-converted to SVS basis) and SVS. The MVS each have a restricted right to convert into 1,000 SVS, subject to adjustments for certain customary corporate changes. The MVS will convert automatically into SVS as follows: 15% of the outstanding MVS will automatically convert to SVS every three months after May 4, 2022, until all the outstanding MVS have been converted. In addition, the SVS and the MVS shall become convertible, at the option of the holder, into the other class of PODA Shares in the event that an offer is made to purchase such other class of PODA Shares, and is one which is required to be made to all or substantially all of the holders of such other class of PODA Shares in a province or territory of Canada to which the requirement applies under applicable securities legislation or stock exchange rules. See "*Restricted Securities*".

BUSINESS OF THE MEETING

Sale of All or Substantially All of the Company's Assets

As announced on May 13, 2022, the Company and the Owners entered into the Asset Purchase Agreement with Altria, pursuant to which the Company agreed to sell to Altria the Company Purchased Assets for aggregate consideration of US$55,275,000 payable on Closing, being the Company Purchase Price. In accordance with the Asset Purchase Agreement, the Owners have agreed to sell to Altria the Owner Purchased Assets for aggregate consideration of US$45,225,000, being the Owner Purchase Price. The Owner Purchased Assets are comprised of, among other things, the Owner Technology which consists in large part of the patents licensed to the Company under the A&R Royalties Agreement. See "*Sale of All or Substantially All of the Company's Assets - Interests of Certain Persons in the Sale Transaction - Owners*."

Pursuant to section 301(1) of the BCBCA, a company must not sell, lease or otherwise dispose of all or substantially all of its undertaking other than in the ordinary course of business unless it obtains the approval of its shareholders by way of a special resolution adopted by not less than not less than 66⅔% of the votes cast at a meeting of shareholders. As the Company Purchased Assets comprise all or substantially all of the assets of PODA, the Sale Transaction will constitute the sale of all or substantially all of PODA's undertaking for the purposes of the BCBCA. Accordingly, PODA is requesting Shareholders to pass the Sale Resolution, a copy of which is attached as Appendix "A" to this Circular, approving the Sale Transaction. To be adopted, the Sale Resolution must be approved by not less than 66⅔% of the votes cast on the Sale Resolution by Shareholders present (in person or by telephone) or represented by proxy and entitled to vote at the Meeting, voting together as a single class.

Pursuant to the Voting Agreements, the holders of PODA Shares carrying approximately 38.91% of the votes which may be cast at the Meeting have agreed to vote such shares in favour of the Sale Resolution. See "*Sale of All or Substantially All of the Company's Assets – Required Shareholder Approvals*", "*Sale of All or Substantially All of the Company's Assets - Interests of Certain Persons in the Sale Transaction*" and "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*". A copy of the Sale Resolution is set out in Appendix "A" of this Circular.

The Asset Purchase Agreement, the Voting Agreements and the terms of the Sale Transaction are summarized below. These summaries do not purport to be complete and are qualified in its entirety by reference to the Asset Purchase Agreement and the Voting Agreements, respectively, copies of which have been filed on the Company's SEDAR profile at www.sedar.com. "*Sale of All or Substantially All of the Company's Assets - The Asset Purchase Agreement" and "Sale of All or Substantially All of the Company's Assets - Voting Agreements*".

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, and after careful consideration of a number of alternatives and factors, including, among others, receipt of the unanimous recommendation from the Special Committee, the Fairness Opinion and the factors set out below under the heading "*Sale of All or Substantially All of the Company's Assets - Reasons for the Sale Transaction*", the members of the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) determined that: (i) the Asset Purchase Agreement is in the best interests of the Company; (ii) the Company Purchase Price to be received by the Company pursuant to the Asset Purchase Agreement in consideration for the Company Purchased Assets is fair to the Company, and recommend that Shareholders vote **FOR** the Sale Resolution (the "**Sale Resolution Board Recommendation**").

In addition to obtaining Shareholder approval, the Closing of the Sale Transaction is subject to the satisfaction of certain other conditions, and is currently expected to occur in the second quarter of 2022, unless otherwise agreed by the parties to the Asset Purchase Agreement. Notwithstanding the foregoing, the Sale Resolution authorizes the PODA Board, without further notice to, or the approval of, the Shareholders, to decide not to proceed with the Sale Transaction and to revoke the Sale Resolution at any time prior to the Sale Transaction becoming effective.

Background to the Sale Transaction

The Asset Purchase Agreement is the result of extensive negotiations between the Company, the Special Committee, the Owners, Altria, and each of their respective representatives and advisors. The following is an overview of the context, process and negotiations leading to the announcement of the Sale Transaction.

The PODA Board, with the assistance of the Company's management and advisors, continually reviews and assesses the Company's assets, and financial profile and business plans, and considers all available options that may be in the best interests of the Company and its Shareholders, including strategic transactions and other alternatives in order to ensure the Company has access to sufficient ongoing funding for its business development plans, including capital expenditures. In the past, these reviews and assessments have resulted in the Company raising additional capital through various financing activities, including issuances of PODA Shares, warrants and convertible debentures.

From 2019 through to September 2021, the Company conducted high-level discussions with large tobacco companies in order to evaluate whether there was a compelling basis upon which to pursue a strategic transaction with any of such companies. In connection with those discussions, the Company entered into several confidentiality and non-disclosure agreements.

On July 30, 2021, Altria contacted Mr. Selby, the Company's CEO, and indicated that it was interested in discussing the Company's progress to date and plans for the future. Following an introductory conversation with Altria representatives, the Company, with the approval of the PODA Board, executed a mutual confidentiality agreement with Altria on August 13, 2021. Following the execution of the confidentiality agreement, the Company responded to Altria's requests for preliminary information and continued to have discussions with Altria.

On September 21, 2021, Mr. Selby attended the GTNF in London, United Kingdom, which is an annual event that provides a platform for debate and the exchange of ideas around tobacco, next-generation products and nicotine among public health experts, industry representatives and other key stakeholders.

In October 2021, the PODA Board met to receive an update on GTNF, including any interest shown by third parties in the Company Technology. At this time the PODA Board agreed to continue to informally explore potential strategic transactions involving the Company Technology. In furtherance of that mandate, in October and November 2021, representatives of the Company met with representatives from companies (including several large international tobacco companies) that have the necessary expertise and capital to commercialize and expand on the Company's heat-not-burn technology, including Altria, and a technology company. In connection with such meetings, the Company entered into a mutual confidentiality agreement with one of the interested parties in October 2021. During this time period, Mr. Selby also held individual meetings with representatives of various parties to discuss potential strategic transactions involving of the Company Technology, after which four of the parties concluded in such meetings that they would not be pursuing such a transaction with the Company at that time.

On October 14, 2021 Mr. Selby travelled to Richmond, Virginia with samples of the PODA System and met with a number of Altria representatives. Following this meeting, Altria expressed interest in continuing the discussions. Subsequent to the October 14 meeting, there were a number of phone discussions between Altria and Mr. Selby. Mr. Selby and Mr. Karkairan, with the approval of the PODA Board, executed mutual confidentiality agreements with Altria on November 11, 2021 in order to provide information regarding the Owner Technology. On November 29, 2021, Altria presented a draft term sheet (the "**Indication of Interest**") to the Company and the Owners. The Indication of Interest is non-binding, except for a provision whereby the Company agreed that all negotiations and discussions with respect to: (i) the disposition or license of the Company Technology or the Owner Technology; (ii) any consent or waiver of, or any amendment or license of the Owner Technology (including the A&R Royalties Agreement) that prohibits an assignment by, or change of control of, the licensee without the Owners' prior consent or approval; (iii) any business combination transaction involving the Company or its Subsidiaries; (iv) the sale of any equity interest in the Company or its Subsidiaries; or (v) any amalgamation, merger, consolidation, reorganization or similar transaction or arrangement, will be conducted exclusively with Altria until April 15, 2022, and certain customary administrative provisions.

The Indication of Interest contemplated a purchase price for the Company Technology and the Owner Technology of US$100 million. The PODA Board met to discuss the Indication of Interest on a conference call on December 1, 2021,

and determined that Mr. Selby should ask Altria to increase the price. After discussions between the parties regarding the purchase price, on December 17, 2021, Altria reaffirmed the price of US$100 million. On the same day, the PODA Board met to discuss the Indication of Interest, and adopted a resolution forming the Special Committee and providing for the Special Committee's terms of reference. The Special Committee's members are Aaron Bowden, as Chair, and Patrick Gray, both of whom are independent directors within the meeting ascribed to such term in NI 52-110. After consulting with its independent legal advisors and the making of some revisions to the Indication of Interest, the Company executed the Indication of Interest on December 23, 2021.

The Special Committee's terms of reference provide that the Special Committee's purpose, mandate and responsibilities are, among other things, to review, consider and evaluate the proposed transaction with Altria and any other matters the Special Committee considered advisable, to supervise the negotiation of the terms of any possible transaction with Altria, to supervise the preparation of any valuations or other opinions as to the fairness of any possible transaction with Altria, to approve any division between the Owners and the Company of any consideration to be paid by Altria pursuant to the proposed transaction, and to report and make such recommendations to the PODA Board with respect to such transaction and any other matters as the Special Committee considers necessary, including whether, in the opinion of the Special Committee, any such transaction is in the best interests of the Company. The Special Committee was given the power to engage, at the expense of the Company, such professional advisors as the Special Committee considered appropriate, including legal and financial advisors. Shortly after December 17, 2021, the Special Committee engaged independent legal counsel.

The Special Committee held its first meeting on December 31, 2021, with its independent legal advisor present. At that meeting, the Special Committee decided on certain organizational matters, discussed the Special Committee's terms of reference and fees, the Owners, the alternatives for structuring the possible transaction with Altria and the allocation of the consideration proposed, and the retention of a financial advisor. The terms of reference for the special committee were formally approved by consent resolution by the PODA Board on January 4, 2022.

The Special Committee held its second meeting on January 18, 2022, with its legal advisor present. At that meeting, the Special Committee discussed issues related to the structure of the possible transaction with Altria, financial opinions, and other matters related to the potential transaction. A draft engagement letter provided by Stifel GMP was also discussed.

On January 25, 2022 the Special Committee met to discuss the division of the aggregate consideration being offered by Altria between the Owners and the Company and the Owners' initial proposal of an equal split of the purchase price between the Owner Technology and the Company Technology.

On February 2, and February 3, 2022, the Special Committee met with Stifel GMP to discuss a fairness opinion and the timeline of the potential transaction with Altria and instructed Stifel GMP to consider whether the consideration being offered to the Company was fair to the Company.

During the week of February 14, 2022, the Special Committee reviewed and considered PODA management's long term business plan and financial analysis and contrasted that with other opportunities potentially available to the Company, including the potential transaction with Altria. On February 15, 2022, the Special Committee met with its legal advisor to receive legal advice respecting the proposed transaction with Altria.

On February 17, 2022, the Special Committee concluded negotiations with the Owners on the allocation of the purchase price between the Owner Technology and the Company Technology at a 55:45 split in favour of the Company Technology.

On February 25, 2022, the Company and Altria executed an amendment to the Indication of Interest extending the exclusivity period to March 18, 2022.

On February 25, 2022, the Special Committee resolved to retain Stifel GMP to provide a fairness opinion with respect to a potential transaction with Altria should the terms of such transaction be settled and in connection therewith, entered into the Stifel GMP Engagement Letter with Stifel GMP, as exclusive financial advisor to the Special Committee, in connection with the Sale Transaction.

On March 3, 2022, the Special Committee met to discuss an increase in the aggregate purchase price negotiated with Altria (from US$100 million to US$100.5 million) and to receive a presentation from Stifel GMP on the financial terms of the proposed asset purchase agreement, followed by a verbal opinion of Stifel GMP that, as of the date of such opinion, subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the consideration to be received by PODA pursuant to the Asset Purchase Agreement is fair, from a financial point of view, to PODA. Following the presentation, the Special Committee directed PODA management to continue to work towards finalizing the draft asset purchase agreement on the terms presented to and discussed by the Special Committee. The Special Committee also met on March 7, 2022 to discuss the business terms of the draft asset purchase agreement.

On March 11, 2022, the Company signed a purchase agreement with its Chinese manufacturing partner to acquire PODA Pod manufacturing equipment, 15 patent applications related to PODA Pod technology, and three Chinese trademarks for approximately $3.45 million payable in cash. When completed, the assets to be acquired will form part of the Company Purchased Assets.

Between January 4, 2022 and May 11, 2022, Altria undertook confirmatory due diligence and the Company, the Owners, Altria and their respective advisors engaged in various discussions and negotiated the terms and conditions of a draft asset purchase agreement, the draft voting support agreements and all other ancillary matters. Throughout this period, various discussions (formal and informal) took place between members of the Special Committee and their advisors and legal counsel, and between members of the Special Committee, PODA, the Owners, Altria, and their respective legal advisors. Counsel to PODA and the Owners engaged in numerous conference calls with counsel to Altria to negotiate the terms of the Asset Purchase Agreement, including those relating to certainty of closing, the Company's ability to respond to unsolicited acquisition proposals, and the PODA Board's ability to make disclosure to shareholders. Several drafts of the draft asset purchase agreement were exchanged between counsel to the Company, the Owners, and Altria. The parties also extensively discussed the provisions of the draft voting support agreements prepared by Altria, which contained, among other things, restrictions on the Owners' ability to market, solicit or accept any Alternative Proposal and their ability to provide consent to change of control transactions under the A&R Royalties Agreement. See "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*". The Company's counsel held a number of calls with Altria's counsel in which such counsel reiterated that Altria was not prepared to pursue the proposed transaction without such restrictions.

On March 16, 2022, the Special Committee held a meeting, with its legal advisor present, and discussed the status of the proposed transaction with Altria and the proposed forms of voting support agreements, and obtained legal advice. On March 17, 2022, the Special Committee met again with their legal advisor and discussed the proposed voting support agreements presented by Altria to the Owners. After receiving advice from its legal counsel, the Special Committee concluded that Altria was unwilling to proceed without the terms contained in its proposed voting agreement with the Owners and endorsed the Company continuing with negotiations for a transaction which was subject to the Owners signing the proposed form of voting support agreement.

On March 17, 2022, the Company and Altria executed a further amendment to the Indication of Interest extending the exclusivity period to May 15, 2022.

On May 12, 2022, the Special Committee met to review a final draft of the asset purchase agreement with its legal and financial advisors, and engaged in a discussion of the relative merits and disadvantages of the proposed Sale Transaction. The Special Committee, after consultation with PODA management, receipt of advice and assistance from its financial and legal advisors, receipt of a verbal opinion of Stifel GMP that reaffirmed that, as of the date of such opinion, subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the consideration to be received by PODA pursuant to the Asset Purchase Agreement is fair, from a financial point of view, to PODA, and after careful consideration of a number of alternatives and factors including, among others, the Fairness Opinion and the factors set out below under "*Reasons for the Sale Transaction*", unanimously resolved: (i) to recommend that the PODA Board approve the Asset Purchase Agreement and the transactions contemplated thereby (ii) to recommend that the Shareholders vote in favor of the Sale Resolution, and determined (iii) that the consideration to be received by PODA under the Asset Purchase Agreement is fair to PODA, and (iv) that the transactions contemplated by the Asset Purchase Agreement are in the best interests of PODA.

Following the meeting of the Special Committee on May 12, 2022, the PODA Board convened. The PODA Board received the unanimous recommendation of the Special Committee and considered and discussed such matters as the members of the PODA Board determined to be necessary or appropriate. After consultation with PODA management and receipt of advice and assistance of its financial and legal advisors, and after careful consideration of a number of alternatives and factors including, among others, the receipt of the unanimous recommendation of the Special Committee and the Fairness Opinion and the factors set out below under the heading "Reasons for the Sale Transaction", the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof): (i) determined that the Sale Transaction and entry into the Asset Purchase Agreement are in the best interests of PODA and that the Company Purchase Price offered to PODA under the Sale Transaction as consideration for the Company Purchased Assets is fair to PODA and authorized PODA to enter into the Asset Purchase Agreement and related agreements; and (ii) determined to recommend that Shareholders vote FOR the Sale Resolution.

On May 12, 2022, the PODA Board approved the contents and mailing of this Circular to Shareholders.

On May 13, 2022, the PODA Locked-Up-Shareholders, collectively holding approximately 46.63% of the outstanding SVS and 22.43% of the outstanding MVS, entered into Voting Agreements in favour of the Sale Transaction. See "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*".

On May 13, 2022, the Company entered into the Asset Purchase Agreement with the Owners and Altria.

Fairness Opinion

Stifel GMP was formally engaged by the Special Committee on February 25, 2022 pursuant to the Stifel GMP Engagement Agreement of the same date to act as financial advisor to the Special Committee and to provide an opinion as to the fairness, from a financial point of view, of the consideration to be received by the Company pursuant to the Sale Transaction to the Company. On March 3, 2022, Stifel GMP verbally delivered its opinion to the Special Committee, which opinion was reconfirmed on May 12, 2022 by Stifel GMP and was subsequently confirmed in writing to the effect that, as of the date of such opinion, based upon Stifel GMP's analysis and subject to the factors, assumptions, limitations, qualifications and other matters described therein, the consideration to be received by the Company pursuant to the Asset Purchase Agreement is fair, from a financial point of view, to the Company.

Under the Stifel GMP Engagement Agreement, PODA has agreed to pay Stifel GMP a fee of CDN$250,000 for the delivery of the Fairness Opinion. In addition, Stifel GMP is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company against certain liabilities in connection with its engagement. The fees payable to Stifel GMP by the Company in respect of the delivery of the Fairness Opinion are not contingent upon the conclusions reached by Stifel GMP or the consummation of the Sale Transaction.

The full text of the Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Fairness Opinion, is attached as Appendix "F" to this Circular. The summary of the Fairness Opinion described in this Circular is qualified in its entirety by, and should be read in conjunction with, the full text of the Fairness Opinion.

The Fairness Opinion address only the fairness of the consideration to be received by the Company pursuant to the Asset Purchase Agreement from a financial point of view and is not and should not be construed as a valuation or appraisal of Poda or of any of its affiliates or any of their assets, securities or liabilities or a recommendation to any shareholder of Poda as to whether to vote in favour of the Sale Resolution.

Stifel GMP has assumed and relied upon, without independent verification, the completeness, accuracy and fair presentation of all financial and other information, data, documents, materials, opinions, advice, and representations relating to the Company Purchased Assets, including the Poda Pods, Poda and any other relevant party, and other materials obtained by Stifel GMP from public sources and from senior management of Poda.

Recommendation of the Special Committee

The Special Committee, after consultation with PODA management and receipt of advice and assistance of its financial and legal advisors and after careful consideration of a number of alternatives and factors including, among others, the Fairness Opinion and the factors set out below under the heading "*Reasons for the Sale Transaction*", unanimously (i) recommended that the PODA Board approve the Asset Purchase Agreement and the transactions contemplated thereby (ii) recommend that the Shareholders vote in favor of the Sale Resolution, (iii) determined that the consideration to be received by PODA pursuant to this Agreement is fair to PODA, and (iv) determined that the transactions contemplated by the Asset Purchase Agreement are in the best interests of PODA.

Recommendation of the PODA Board

The PODA Board, after consultation with PODA management and receipt of advice and assistance of its financial and legal advisors, and after careful consideration of a number of alternatives and factors including, among others, the receipt of the unanimous recommendation of the Special Committee, the Fairness Opinion and the factors set out below under the heading "*Sale of All or Substantially All of the Company's Assets - Reasons for the Sale Transaction*", unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) determined that the Sale Transaction and entry into the Asset Purchase Agreement are in the best interests of PODA and its Shareholders and authorized PODA to enter into the Asset Purchase Agreement and related agreements and consummate the Sale Transaction. **Accordingly, the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) recommends that Shareholders vote FOR the Sale Resolution.**

All of the PODA Locked-Up Shareholders are required to vote all of their PODA Shares in favour of the Sale Resolution, subject to the terms of the Asset Purchase Agreement and the Voting Agreements. See "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*".

Reasons for the Sale Transaction

In evaluating the proposed Sale Transaction and the terms of the Asset Purchase Agreement and in making their respective recommendations, the Special Committee and the PODA Board each consulted with PODA management, received the advice and assistance of their respective legal and financial advisors and gave careful consideration to the current and expected future financial position of PODA and all terms of the Asset Purchase Agreement. As a result of the strategic review process undertaken by the PODA Board, after careful consideration, including a thorough review of, among other matters, the Asset Purchase Agreement and the Fairness Opinion, and taking into account the best interests of the Company and the impact on the Company's stakeholders, and upon consultation with its legal advisors, the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) resolved to enter into the Asset Purchase Agreement and approve the Sale Transaction. In reaching its conclusion that the Sale Transaction is fair and in the best interests of the Company and the Shareholders, and in concluding to make their respective recommendations, the Special Committee and the PODA Board considered and relied upon a number of factors including, among others, the following:

(a) ***Premium Cash Distribution***. The Company expects to make a cash distribution equal to approximately CDN$0.40 per share (assuming conversion of the outstanding MVS to SVS at the Conversion Ratio) representing: (i) a premium of 167% to the closing price of the SVS; and (ii) a premium of 127% to the 30-day volume weighted average closing price of the SVS, on the CSE immediately prior to the Announcement Date (assuming US$1.00 = CDN$1.2953). See "*Business of the Meeting - Distribution of Proceeds of Sale Transaction*".

(b) ***Certainty of Value***. The Company Purchase Price will be paid entirely in cash, which provides certainty of value.

(c) ***Alternatives to the Sale Transaction***. The Sale Transaction is the result of a comprehensive strategic review process conducted by the PODA Board starting in 2019. Both prior to and throughout the negotiations of the terms of the Asset Purchase Agreement with Altria, the PODA Board, with the assistance of its advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to the Company including continued execution of the Company's strategic plan and the possibility of soliciting other potential buyers of PODA's assets. The PODA Board assessed each reasonably available alternative throughout the process of evaluating and negotiating the Asset Purchase Agreement and the PODA Board and the Special Committee ultimately concluded that entering into the Asset Purchase Agreement was the most favourable alternative reasonably available.

(d) ***Special Committee Oversight***. The Special Committee, which is comprised entirely of independent directors, oversaw, reviewed and considered the Sale Transaction. The Special Committee was advised by highly qualified financial and legal advisors. The Sale Transaction was unanimously recommended to the PODA Board by the Special Committee.

(e) ***No Escrow or Holdback of Any Portion of Company Purchase Price***. There is no requirement under the Asset Purchase Agreement that any portion of the Company Purchase Price be placed into escrow in order to fund the payment of claims by Altria for indemnification for breaches of representations and warranties by the Company, the Owners or other matters, if any. By contrast, the Indemnity Escrow Amount, the Technology Holdback Amount and certain other amounts will be held back from the Owner Purchase Price at Closing. The Indemnity Escrow Amount and the Technology Holdback Amount will be available to fund payment of such possible indemnification claims.

(f) ***Lack of Financing Condition***. The Sale Transaction is not subject to a financing condition.

(g) ***Required Shareholder Approval***. The Sale Resolution must be approved, with or without variation, by the affirmative vote of at least 66⅔% of the votes cast by holders of SVS and MVS present in person or represented by proxy and entitled to vote at the Meeting, with all Shareholders voting together as a single class.

(h) ***Dissent Rights***. Registered Shareholders who do not vote in favour of the Sale Resolution are entitled to be paid the fair value of the SVS and MVS, as applicable, held by such Registered Shareholder in accordance with Section 245 of the BCBCA if such Registered Shareholders properly exercise Dissent Rights. See "*Sale of All or Substantially All of the Company's Assets - Dissent Rights*".

(i) ***Acceptance by Directors, Officers and Principal Shareholders***. Pursuant to the Voting Agreements, the PODA Locked-Up Shareholders, who in the aggregate hold approximately 46.63% of the outstanding SVS and 22.43% of the outstanding MVS, collectively constituting 38.91% of the voting rights attached to the SVS and MVS together, have agreed, among other things, to vote their SVS and MVS, as applicable, in favour of the approval of the Sale Resolution. See "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*".

(j) ***Reasonableness of the Terms of the Asset Purchase Agreement***. The terms and conditions of the Asset Purchase Agreement are the product of extensive arm's length negotiations between the parties thereto. The terms and conditions of the Asset Purchase Agreement, including the parties' respective representations, warranties and covenants, and the conditions to their respective obligations, are, in the Special Committee's and the PODA Board's opinion, after consultation with their respective legal counsel, reasonable in the circumstances.

(k) ***Likelihood of Closing***. The Special Committee and the PODA Board believe that there is a high likelihood that the conditions precedent to the completion of the Sale Transaction will be satisfied. In this regard, the PODA Board considered the fact that Altria is a Subsidiary of Altria Group, Inc., a company with a market capitalization of approximately US$93.5 billion. The Special Committee and the PODA Board believe that Altria has the necessary cash available to complete the Sale Transaction.

(l) ***Receipt of Fairness Opinion***. The Special Committee received the Fairness Opinion, in which Stifel GMP provided an opinion to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein and such other matters as Stifel GMP considered relevant, the consideration offered to PODA in respect of the Sale Transaction is fair from a financial point of view to the Company. Stifel GMP is independent of PODA, the Owners and Altria for purposes of the Sale Transaction and Stifel GMP is only entitled to receive a fixed fee for delivery of its fairness opinion, regardless of its conclusions or the consummation of the Sale Transaction.

(m) ***Reasonable Completion Time***. The Special Committee and the PODA Board believes that the Sale Transaction is likely to be completed in accordance with the terms of the Asset Purchase Agreement and within a reasonable time, with closing currently anticipated to occur in the second quarter of 2022.

(n) ***Superior Proposal Out***. The PODA Board, in certain circumstances set forth in the Asset Purchase Agreement, is permitted to consider an unsolicited Superior Proposal and, provided that Altria does not exercise its right to match, terminate the Asset Purchase Agreement and enter into a transaction based on such Superior Proposal. The Special Committee and the PODA Board believe the Termination Fee payable in those circumstances is reasonable in the circumstances. However, the PODA Board's superior proposal out is subject to practical constraints by the provisions in the Voting Agreement with the Owners, which prohibits the Owners for a fixed period of time (including if the Asset Purchase Agreement is terminated), from: (i) marketing, soliciting or accepting any Alternative Proposal; and (ii) providing consent to a change of control of the Company under the A&R Royalties Agreement. See "*Sale of All or Substantially All of the Company's Assets - Voting Agreements*" and subparagraph (d) of the risks identified and considered by the Special Committee and the PODA Board immediately below with respect to the Voting Agreements.

(o) ***Other Stakeholders***. In the view of the Special Committee and the PODA Board, the terms of the Asset Purchase Agreement and the anticipated Sale Transaction treat stakeholders of the Company equitably and fairly, including the treatment of holders of options, warrants and convertible debenture.

(p) ***Other Factors***. The PODA Board also carefully considered the terms of the Asset Purchase Agreement and proposed Sale Transaction, current economics, industry and market trends affecting PODA in its market, and information concerning the business, operations, assets, financial condition, operating results and prospects of PODA.

In the course of its deliberations, the Special Committee and the PODA Board also identified and considered a variety of risks (as described in greater detail under "*Risk Factors*") and potentially negative factors relating to the Sale Transaction without limitation, the following:

(a) If the Sale Transaction is successfully completed, the Company will no longer have any ongoing business operations and Shareholders will be unable to participate in the potential longer term benefits of the business of the Company.

(b) Prior to entering into the Asset Purchase Agreement, the Company engaged in exclusive negotiations with Altria for a number of months. The Special Committee and the PODA Board concluded, after receiving advice from their financial and legal advisors, that the risks of soliciting

expressions of interest from other potential strategic partners outweighed the benefits of doing so, particularly having regard to the financial and other terms of the Asset Purchase Agreement. However, there can be no assurance that, if the Company had solicited expressions of interest from other potential strategic partners, one or more of such potential strategic partners would not have been willing to acquire the Company Technology on more favourable terms than Altria.

(c) The fact that under the Asset Purchase Agreement, the Owners (who are also directors and executive officers of the Company) will receive benefits that differ from, and are in addition to, the benefits they will receive in their capacity as Shareholders.

(d) The Voting Agreement with the Owners prohibits the Owners, for a fixed period of time, from: soliciting, assisting, initiating, knowingly encouraging or otherwise facilitating any inquiry, proposal or offer that constitutes, or could reasonably be expected to constitute or lead to, an Alternative Proposal; (ii) continuing, entering into, or otherwise engaging in any inquiry proposal or offer that constitutes or could reasonably be expected to constitute or lead to, an Alternative Proposal; (iii) accepting, approving or executing or entering into any agreement, letter of intent, understanding or arrangement in respect of an Alternative Proposal; and (iv) waiving or modifying, or agreeing to waive or modify, any provision of any license of the Owner Technology (including the A&R Royalties Agreement) that prohibits a direct or indirect assignment by, transfer of, sublicense by, or change of control of any licensee of the Owner Technology (including the Company as licensee under the A&R Royalties Agreement) without the Owners' prior consent or approval. An "**Alternative Proposal**" for these purposes means any offer, proposal or inquiry from any person or entity, or group of persons or entities acting jointly or in concert relating to any direct or indirect sale or disposition, or any other transaction having the same economic effect as a sale, of the Owner Technology, other than the Sale Transaction. See "*Sale of All or Substantially All of the Company's Assets – Voting Agreements*" below. The Company, the Owners and their respective advisors attempted to convince Altria to proceed with the Sale Transaction without these terms in the Voting Agreement. However, after extensive negotiations, the Company, the Owners and the Special Committee believe that Altria was unwilling to proceed without these terms. The Special Committee and the PODA Board concluded that the risk that these terms discourage potential unsolicited alternative transaction proposals is outweighed by the benefits of proceeding with the Sale Transaction, particularly having regard to the financial and other terms of the Asset Purchase Agreement.

(e) The potential risk of diverting management attention and resources from the operation of the Company's business, including other strategic opportunities and operational matters, while working toward the completion of the Sale Transaction.

(f) The potential negative effect of the pendency of the Sale Transaction on the Company's business, including its relationships with third parties.

(g) The fact that the Company has incurred and will continue to incur significant transaction costs and expenses in connection with the Sale Transaction, regardless of whether the Sale Transaction is completed.

(h) The Sale Transaction will subject the Company to Canadian income tax on the gain realized.

(i) The Dividends will be treated as a taxable dividend to Shareholders.

(j) As the MVS have a lower amount of paid-up capital per share (on an as-converted to SVS basis) than the SVS, the proportion of the Distribution received by MVS Shareholders which will be treated as a taxable dividend will be higher than such proportion of the Distribution received by SVS Shareholders.

(k) The limitations contained in the Asset Purchase Agreement on the Company's ability to solicit alternative transactions from third parties, as well as the fact that if the Asset Purchase Agreement is terminated in certain circumstances, the Company may be required to pay the Termination Fee, which may adversely affect the Company's financial condition.

(l) The Company Purchase Price is to be paid in U.S. dollars. If the value of the Canadian dollar relative to the U.S. dollar appreciates as compared to such relative value on the Announcement Date, the amount to be received by Shareholders on any subsequent distribution of that amount that is paid in, or converted to, Canadian dollars will be lessened.

(m) The conditions to Altria's obligation to complete the Sale Transaction and Altria's rights to terminate the Asset Purchase Agreement in certain circumstances.

(n) The restrictions imposed pursuant to the Asset Purchase Agreement on the conduct of the Company's business during the period between the execution of the Asset Purchase Agreement and the consummation of the Sale Transaction or the termination of the Asset Purchase Agreement.

(o) The fact that under the Asset Purchase Agreement, the Company's directors and certain employees (other than the Owners) may receive benefits that differ from, or are in addition to, the interests of Shareholders generally as described under "Interests of Certain Persons in the Sale Transaction".

(p) Other risks associated with the parties' ability to complete the Sale Transaction.

The Special Committee and the PODA Board believes that, overall, the anticipated benefits of the Sale Transaction to the Company outweigh these risks and negative factors. The reasons of the Special Committee and the PODA Board for recommending the Sale Transaction include certain assumptions relating to forward-looking information, and such information and assumptions are subject to certain risks. See "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*" in this Circular.

The foregoing summaries of the information and factors considered by the Special Committee and the PODA Board are not intended to be exhaustive, but includes material information and factors considered by the Special Committee and the PODA Board in their consideration of the Sale Transaction. In view of the wide variety of factors considered in connection with its evaluation of the terms of the Sale Transaction and the complexity of these matters, the Special Committee and the PODA Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors. In addition, individual members of the Special Committee and PODA Board, including the members of the Special Committee, and individual Shareholders considering the Sale Transaction may give different weight to different factors.

The PODA Board (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) unanimously recommended support for the Sale Transaction. The process of evaluating the Sale Transaction was led by the Special Committee, which is comprised of members of the PODA Board who are not members of management and are independent directors within the meaning ascribed to such term in NI 52-110. The members of the Special Committee met regularly with its legal and financial advisors and members of management throughout the process of negotiating the Asset Purchase Agreement.

IN LIGHT OF THE FOREGOING, THE PODA BOARD UNANIMOUSLY (WITH THE EXCEPTION OF MESSRS. SELBY AND KARKAIRAN, WHO DECLARED THEIR INTEREST IN THE TRANSACTIONS CONTEMPLATED BY THE ASSET PURCHASE AGREEMENT AS THE OWNERS AND ABSTAINED FROM VOTING IN RESPECT THEREOF) RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE SALE RESOLUTION.

In order to pass the Sale Resolution, at least 66⅔% of the votes cast at the Meeting by holders of SVS and MVS present in person or represented by proxy and entitled to vote at the Meeting, with all Shareholders voting together as a single class, must be voted in favour of such resolution. Pursuant to the Voting Agreements, 48,664,790 SVS and

10,977.558 MVS are locked up, representing approximately 38.91% of the outstanding voting rights attached to the SVS and MVS together as of the date of this Circular, and all of which will be voted "FOR" the Sale Resolution, subject to the terms thereof. **Unless it is specified in the enclosed form of proxy that SVS or MVS, as applicable, represented by the form of proxy will be voted against the Sale Resolution, the Persons designated in the enclosed form of proxy intend to vote such SVS or MVS, as the case may be, "FOR" the Sale Resolution.**

Interests of Certain Persons in the Sale Transaction

In considering the Sale Transaction and the unanimous recommendation of the PODA Board (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) with respect to the Sale Transaction, Shareholders should be aware that certain directors and certain executive officers of the Company have interests in connection with the Sale Transaction and the Asset Purchase Agreement that may present them with actual or potential conflicts of interest. The PODA Board and the Special Committee are aware of these interests and considered them along with other matters described above under "*Sale of All or Substantially All of the Company's Assets - Reasons for the Sale Transaction*" and "*Risk Factors*". These interests and benefits are described below.

Except as otherwise disclosed below or elsewhere in this Circular, no director, executive officer or insider of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Except as otherwise described below or elsewhere in this Circular, all benefits received, or to be received, by directors or executive officers of PODA as a result of the Sale Transaction and in accordance with the terms of the Asset Purchase Agreement are, and will be, solely as Shareholders of PODA or otherwise in connection with their services as directors or employees of PODA. See "*Sale of All or Substantially All of the Company's Assets - Interests of Certain Persons in the Sale Transaction*" and "*Interests of Certain Persons in Matters to be Acted Upon*".

Ryan Selby, the Chief Executive Officer and a director of PODA, and Ryan Karkairan, the VP Design and a director of PODA, are together the Owners, and the co-founders of PODA. Messrs. Selby and Karkairan are party to the Asset Purchase Agreement, as the Owners of the Owner Purchased Assets and are selling the Owner Purchased Assets to Altria thereunder in consideration of the Owner Purchase Price of US$45,225,000. In addition, Messrs. Selby and Karkairan are the licensors to the Company of the patents licensed to the Company under the A&R Royalties Agreement, which comprise the largest part of the Company Technology, which in turn is included in the Company Purchased Assets.

Given the interest of each of Mr. Selby and Mr. Karkairan in the Asset Purchase Agreement as Owners of the Owner Technology and the receipt of proceeds of the sale of the Owner Technology to Altria contemplated thereunder, each of them have abstained from voting, in their respective capacities of members of the PODA Board, on the approval of the Sale Transaction and the entry into the Asset Purchase Agreement. See "*Sale of All or Substantially All of the Company's Assets - Interests of Certain Persons in the Sale Transaction*" and "*Interests of Certain Persons in Matters to be Acted Upon*".

Messrs. Selby and Karkairan have economic interests in the Sale Transaction. The amount of the Owner Purchase Price to be received by Messrs. Selby and Karkairan relative to the amount of the Company Purchase Price to be received by the Company, has been considered by the Special Committee.

Each of the Owners is employed by the Company under employment agreements, each dated August 1, 2021 (each, an "**Employment Agreement**"). In addition, the Company is party to management services agreements (each, a "**Management Services Agreement**") with various Persons, including Paul Ciullo, the Company's Chief Financial Officer, and the High Standard Agreement with High Standard. The Employment Agreements, the Management Services Agreements and the High Standard Agreement each contain change of control provisions and, pursuant thereto, a "change of control" thereunder is deemed to include the occurrence of the sale of all or substantially all of the assets of the Company. Accordingly, the completion of the Sale Transaction would trigger the change of control provisions in each such agreement. The Employment Agreements, the Management Services Agreements and the High Standard Agreement each provide that, within 60 days following a change of control of the Company, either party has the right to terminate the applicable agreement and, if such agreement is terminated or deemed to be

terminated due to a change of control, the Company will become obligated to pay the Owners, managers or High Standard, as applicable, certain termination fees within 30 days from the date of termination.

In the case of the termination of Mr. Selby's Employment Agreement upon a change of control, Mr. Selby will be entitled to a termination fee of CDN$600,000, together with any accrued fees and expenses and an amount equivalent to all cash bonuses paid by the Company to Mr. Selby in the 30 months prior to such change of control, being CDN$1,102,000, for an aggregate of CDN$1,702,000. In the case of the termination of Mr. Karkairan's Employment Agreement upon a change of control, Mr. Karkairan will be entitled to a termination fee of CDN$234,000, together with any accrued fees and expenses and an amount equivalent to all cash bonuses paid by the Company to Mr. Karkairan in the 18 months prior to such change of control, being CDN$150,000, for an aggregate of CDN$384,000. In respect of the Management Services Agreement between the Company and Mr. Ciullo, upon termination of such Management Services Agreement as a result of a change of control, Mr. Ciullo will be entitled to a termination fee of US$60,000 (approximately CDN$78,000) together with accrued fees and expenses and an amount equivalent to all cash bonuses paid by the Company to him in the 12-month period prior to such change of control, being US$10,000 (approximately CDN$13,000), for an aggregate of approximately CDN$91,000. The termination of the High Standard Agreement upon a change of control will entitle High Standard to a termination fee of approximately CDN$1,194,847.

The aggregate liability of the Company under such Employment Agreements and Management Services Agreement, assuming their termination in the event of the completion of the Sale Transaction, is estimated to be approximately CDN$3,371,847 (collectively, the "**Change of Control Amounts**").

As of the date hereof, PODA understands that neither Altria nor any of its Affiliates owns, or controls or directs, directly or indirectly, any PODA Shares.

Effect of the Sale Transaction

Upon completion of the Sale Transaction, the Company will no longer have any material property or assets other than the cash proceeds of the Sale Transaction, which are expected to be approximately CDN$65.8 million, after satisfying the Company's obligations and liabilities, including, without limitation, applicable taxes payable by the Company in respect thereof estimated to be approximately CDN$6.5 million, payment of the High Standard Fee and the Change of Control Amounts, and payment of the costs associated with the Sale Transaction which are estimated to be between approximately CDN$7 million and CDN$8 million. In the event the Sale Transaction is not completed, the Company will continue to take steps in an attempt to maximize value for Shareholders.

The following procedural steps must be taken in order for the Sale Transaction to become effective:

(a) the Sale Resolution must be approved by the Shareholders at the Meeting;

(b) all conditions precedent to the Sale Transaction as set forth in the Asset Purchase Agreement must be satisfied or waived by the appropriate party as applicable; and

(c) all approvals, consents and authorizations of all Governmental Authorities and other regulators as necessary or desirable in connection with the Sale Transaction must be obtained.

If the Closing takes place, it is anticipated that: (i) Ryan Selby and Ryan Karkairan will resign from the PODA Board within 60 days of the Closing Date; (ii) Aaron Bowden and Patrick Gray will remain on the PODA Board; (iii) Mr. Bowden and Mr. Gray will appoint a third member to the PODA Board to hold office until the next annual general meeting of Shareholders; and (iv) Mr. Gray will serve as the Chief Executive Officer of the Company, and will likely be the only employee of the Company until a new Chief Executive Officer is identified.

Based on discussions with a representative of the CSE, the Company expects that: (i) the SVS will continue to remain listed and to trade on the CSE; and (ii) that the Company will be considered an "inactive company" under the policies of the CSE, following Closing.

Distribution of Proceeds of Sale Transaction

Anticipated Distribution

The Company estimates that it will receive approximately US$55,275,000 in connection with the completion of the Sale Transaction. Assuming a foreign exchange rate of US$1.00 = CDN$1.2953, being the exchange rate as of the Announcement Date, the total amount of proceeds that the Company will receive in connection with the Sale Transaction will be approximately CDN$71.6 million.

If the Sale Transaction closes, and the Amendment Resolutions and the Capital Reduction Resolutions are adopted, the Company anticipates utilizing the Company Purchase Price in the following manner: (i) promptly following Closing, to pay the Company's fees, outstanding accounts payable, costs and expenses in connection with the Asset Purchase Agreement and Sale Transaction, which will include, without limitation, the High Standard Fee and the Change of Control Amounts, costs and expenses with respect to the Fairness Opinion, and payments and expenses for legal services, printing and mailing, together with all applicable taxes thereon, estimated to be approximately CDN$10.5 million; (ii) the Company will retain an amount of approximately CDN$6.5 million to satisfy estimated capital gains taxes on the Company Purchase Price; (iii) the Company will retain an amount of approximately CDN$1 million in order to search out, and if considered appropriate by the PODA Board, participate in new business opportunities; (iv) the Company will use approximately CDN$65.8 million (including the remaining amount of the Company Purchase Price of CDN$54 million and estimated cash on hand of CDN$11.8 million) to make the Distribution, currently estimated to be approximately CDN$0.40 per share, to be composed of (A) the Capital Distribution, in accordance with the special rights and restrictions as to participation in returns of capital on the SVS and the MVS under the Articles as altered by the Amendment Resolutions; and (B) the Dividend(s) on the SVS and MVS, in an amount or amounts to be determined by the PODA Board in its sole discretion, in accordance with the special rights and restrictions of the SVS and the MVS as to participation in dividends under the Articles as altered by the Amendment Resolutions. If the Amendment Resolutions are adopted, such special rights and restrictions will provide that: (i) the SVS and the MVS will each participate in returns of capital to the maximum amount permitted in order to fully repay the paid-up capital of such class; and (ii) that, although the SVS and the MVS will generally participate in returns of capital and dividends each on the basis of an equivalent amount per share on the SVS and the MVS (on an as-converted basis), the Company will be permitted to make returns of capital and declare and pay dividends on a different basis, provided that: (A) the payment of the dividend is in connection with a return of capital, and (B) the per share amount of such return of capital and dividend together is equivalent as between the SVS and the MVS (on an as-converted basis). The Return of Capital and the Dividend(s) will each be conditional upon adoption of the Amendment Resolutions and the Capital Reduction Resolutions. See "*Capital Reductions and Return of Capital*". The actual amount of any Dividends declared will be such as to ensure that the total Distribution to holders of each class will be pro rata on a per-share basis, assuming conversion of the MVS to SVS at the Conversion Ratio.

Although management of the Company believes that the foregoing estimates are reasonable based on information currently available to the Company, the actual amounts may different materially from those presented above and the cash amount distributed to Shareholders from the proceeds of the Sale Transaction may be less than the estimate of CDN$0.40 per share for a variety of reasons.

The Asset Purchase Agreement

On May 13, 2022, Altria, PODA and the Owners entered into the Asset Purchase Agreement, which sets out, among other things, the terms and conditions upon which the Company and the Owners agreed to sell, and Altria agreed to purchase, the Company Purchased Assets and the Owner Purchased Assets, respectively. As provided by the Asset Purchase Agreement, the Closing is subject to the approval of the Shareholders, the satisfaction of all third party consents and regulatory approvals and the fulfilment of certain conditions, and is currently expected to occur in the second quarter of 2022.

The following summarizes the material provisions of the Asset Purchase Agreement. This summary may not contain all of the information about the Asset Purchase Agreement that is important to Shareholders. The rights and obligations of the parties to the Asset Purchase Agreement are governed by the express terms and conditions of the Asset Purchase Agreement and not by this summary or any other information contained in this Circular. This summary is qualified in

its entirety by reference to the Asset Purchase Agreement, a copy of which has been filed under PODA's profile at www.sedar.com. Shareholders should read the Asset Purchase Agreement in its entirety.

In reviewing the Asset Purchase Agreement and this summary, please remember that the following summary has been included to provide Shareholders with information regarding the terms of the Asset Purchase Agreement and is not intended to provide any other factual information about PODA, the Owners, Altria or any of their subsidiaries or affiliates. The Asset Purchase Agreement contains representations and warranties and covenants by each of the parties thereto, which are summarized below.

The following is a summary of the principal terms of the Asset Purchase Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Asset Purchase Agreement, a copy of which has been filed under the Company's profile at www.sedar.com. Shareholders are encouraged to read the Asset Purchase Agreement carefully in its entirety.

Purchase Price

The Company Purchase Price payable by Altria to the Company under the Asset Purchase Agreement as consideration for the Company Purchased Assets is US$55,275,000, which will be paid in full on Closing.

The Owner Purchase Price payable by Altria to the Owners under the Asset Purchase Agreement for the sale of the Owner Purchased Assets to Altria is US$45,225,000, which will not be paid in full at Closing. Rather, at the Closing, Altria will pay the Indemnity Escrow Amount into escrow as security for the Owners' indemnification obligations under the Asset Purchase Agreement should any claim be made by Altria, and the Technology Holdback Amount into escrow as security for the performance of certain obligations of the Owners under the Asset Purchase Agreement related to the transfer of the Owner Technology and the Company Technology. In addition, US$2,500,000 will be held back from the Owner Purchase Price by Altria as security for the completion of the transfer of certain equipment, and US$5,000,000 will be held back from the Owner Purchase Price by Altria as security for the completion of the transfer of certain trademarks and patents. The Company is not entitled to any part of the Owner Purchase Price, including the amounts held back therefrom.

Representations, Warranties and Covenants

The Asset Purchase Agreement contains representations, warranties and covenants made by the Company, the Owners and Altria. These representations, warranties and covenants were made by and to the parties thereto as set out in the Asset Purchase Agreement and are subject to the limitations and qualifications agreed to by the parties in connection with negotiating and entering into the Asset Purchase Agreement. Such representations, warranties and covenants have been made solely for the benefit of the parties to the Asset Purchase Agreement as set out therein, and (i) are not intended as statements of fact to be relied upon third parties, but rather as a way of allocating the risk to one of the parties to the Asset Purchase Agreement should such any such representations, warranties or covenants prove to be inaccurate; and (ii) may apply standards of materiality in a way that is different from what may be viewed as material by Shareholders or other investors, or may be qualified by reference to materiality thresholds. In addition, certain representations and warranties were made as of specified dates, and information concerning the subject matter of the representations and warranties may have changed since the date of the Asset Purchase Agreement. Accordingly, the representations, warranties, covenants and other provisions of the Asset Purchase Agreement should not be read alone, but instead should be read together with the information provided elsewhere in this Circular.

The representations and warranties made by the Company, the Owners and Altria are customary for transactions of this nature negotiated between sophisticated purchasers and sellers acting at arm's length, certain of which are qualified as to materiality and knowledge and subject to reasonable exceptions. Such representations and warranties made by the Company in favour of Altria relate to, among other things: organization; authorization and enforceability; no violation or conflict; consents; capital structure; insolvency; litigation; title to the Company Purchased Assets and the Owner Purchased Assets; material contracts; accounts payable; customers and suppliers; financial records; no undisclosed liabilities; inventory; indebtedness; intellectual property (including software); insurance; tax matters; compliance with laws; permits or licenses; environmental matters; real property; no adverse change; warranties, liabilities and filings; affiliated transactions; brokers' fees; books and records; conflict minerals; securities law matters; special committee and board matters; funds available; and disclosure matters. The Asset Purchase Agreement also

contains certain customary representations and warranties provided by Altria to both the Company and the Owners relating to, among other things: organization; authorization and enforceability; no violation or conflict; litigation; brokers' fees; and taxes. The Asset Purchase Agreement also contains certain customary representations and warranties of the Owners to Altria.

Covenants

Covenants Regarding Interim Period

From and after the date of the Asset Purchase Agreement through the Closing, the Company is required to conduct the Business in the ordinary course and has agreed to certain customary interim period covenants for transactions of this nature, including, among other things, to: keep full and complete books and records; maintain in full force and effect its insurance policies; take such commercially reasonable action as may be necessary to preserve the Company Purchased Assets; take such action as may be necessary to keep its leased real property in good condition and repair; promptly notify Altria in writing of any loss or threatened loss of a major customer or supplier of the Business or any Material Adverse Effect that has occurred; use its commercially reasonable efforts to perform all obligations arising from and preserve its rights under those of the Assumed Contracts to which it is party; defend and protect the properties and assets included in the Company Purchased Assets which it owns, licenses or leases from infringement or usurpation; use its commercially reasonable efforts to preserve the Business intact and preserve for Altria the existing goodwill of the employees, suppliers, vendors, customers and other Persons with which the Business has a relationship; and comply with all laws and governmental orders applicable to the Company in the conduct of the Business and the Company's use and ownership of the Company Purchased Assets.

The Company and the Owners, as applicable, each agreed that from and after the date of the Asset Purchase Agreement through the Closing, not to take certain prescribed actions which may have an adverse impact on the Business, including, but not limited to: mortgaging, pledging or hypothecating, or otherwise subjecting to a Lien (as defined in the Asset Purchase Agreement) (other than a Permitted Lien (as defined in the Asset Purchase Agreement)) any of the Company Purchased Assets or Owner Purchased Assets owned, licensed or leased by it or Assumed Contracts to which it is party to secure any indebtedness or for any other purpose; amending or otherwise altering (including by amalgamation or otherwise) the Company's organizational documents or the organizational documents of any of its subsidiaries; making any new capital expenditure or other expenditures for the Business in excess of US $10,000 (including in respect of research and development); commencing, paying, discharging, settling, compromising, satisfying or threatening or offering to commence, pay, discharge, settle, compromise or satisfy any claims or actions, (absolute, accrued, asserted or unasserted, contingent or otherwise) of the Business, waiving or assigning or threatening or offering to waive or assign any claims or actions or rights of substantial value of the Business; or entering into, approving or recommending (or proposing publicly to approve or recommend), or permit any of the Company's Affiliates to enter into, any agreement requiring, or reasonably expected to cause, the Company to abandon, terminate, delay or fail to consummate, or that would otherwise impede, interfere or be inconsistent with, any of the transactions contemplated by the Asset Purchase Agreement or requiring, or reasonably expected to cause, the Company to fail to comply with the Asset Purchase Agreement. The foregoing covenants regarding the Company's conduct do not apply to actions that are taken (i) with the prior written consent of Altria, which consent is not to be unreasonable withheld, delayed or conditioned; (ii) as required or permitted by the Asset Purchase Agreement; or (iii) as required by applicable law.

Covenants Relating to the Sale Transaction

Each of the Company, the Owners and Altria have agreed to use its commercially reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper and advisable under applicable law, the Assumed Contracts or otherwise to consummate and make effective the transactions contemplated by the Asset Purchase Agreement, including to use commercially reasonable efforts to obtain certain identified required consents, to obtain such other waivers, consents, approvals, clearances, orders and authorizations and send such written notices as may be reasonably requested by Altria with respect to any Assumed Contract or permit or license, and to satisfy the other conditions precedent to Closing set forth in the Asset Purchase Agreement.

From and after the date of signing the Asset Purchase Agreement through the Closing, the Company has agreed to give Altria's authorized representatives full access at all reasonable times, and in a manner that will not unreasonably

interfere with the Company's normal operation of the Business, to: (a) the Company's officers, directors, employees, legal advisors, accountants, consultants and other advisors to the extent related to the Business, (b) the Company's customers and suppliers to the extent related to the Business, (c) the Company Purchased Assets, the Owner Purchased Assets and Assumed Contracts and (d) the real property leased or subleased by the Company and other premises of the Business. All such information is to be kept confidential in accordance with the terms of the existing mutual confidentiality agreement with Altria.

Non-Solicitation

No-Shop; Change in Recommendation

Pursuant to the Asset Purchase Agreement, the Company agreed that it will not, and will cause the Company's Affiliates not to, directly or indirectly, through any officer, director, employee, agent, representative, Affiliate or otherwise:

(a) solicit, assist, initiate, knowingly encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any of its Subsidiaries or by entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) continue, enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than Altria and its Affiliates) regarding any Acquisition Proposal or inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to an Acquisition Proposal, provided that the Company may (i) communicate in writing (with a copy to Altria) to any Person who submits an Acquisition Proposal solely for the purposes of clarifying the express terms of such Acquisition Proposal (provided such Acquisition Proposal did not result from a breach of the Company's non-solicitation obligations); (ii) advise any Person of the restrictions of the Asset Purchase Agreement; and (iii) advise any Person making an Acquisition Proposal that the PODA Board has determined that such Acquisition Proposal does not constitute a Superior Proposal, in each case, if, in so doing, no other information that is prohibited from being communicated under the Asset Purchase Agreement is communicated to such Person;

(c) make a Change in Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal; or

(e) accept, approve, endorse, recommend or execute or enter into, or publicly propose to accept, approve, endorse, recommend or execute or enter into, any agreement, letter of intent, understanding or arrangement in respect of an Acquisition Proposal.

The Company has agreed to immediately cease and terminate solicitations, encouragement, discussions, negotiations or other activities commenced prior to the date of the Asset Purchase Agreement with any person (other than Altria and its Affiliates and their respective representatives) with respect to any inquiry, proposal or offer that constitutes, or could reasonably be expected to constitute or lead to, an Acquisition Proposal, to discontinue disclosure of information with respect thereto, and to request to the extent it is entitled to do so, the return or destruction of all confidential information and the destruction of all material related to Company and its subsidiaries provided to any such person.

The Company has also agreed to take commercially reasonable actions to enforce confidentiality, standstill or other similar agreements to which it or any of its Subsidiaries are party.

Notification of Acquisition Proposals

The Company has agreed to promptly (and in any event within 24 hours) notify Altria in the event that it receives an Acquisition Proposal or an inquiry, proposal, request or offer that could constitute an Acquisition Proposal, and to keep Altria informed on a timely basis as to the status of developments and negotiations with respect to any such Acquisition Proposal or inquiry, proposal, request or offer.

Responding to an Acquisition Proposal

At any time prior to the approval of the Sale Resolution by the Shareholders, the Company is permitted to enter into, engage in, participate in, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist or furnish information to any person making an Acquisition Proposal if, and only if:

(a) the PODA Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute or lead to a Superior Proposal;

(b) the Acquisition Proposal did not involve a breach by the Company of the non-solicitation prohibitions described above;

(c) such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction; and

(d) prior to providing information to such Person, the Company enters into a confidentiality and standstill agreement with such Person on terms that are no less favourable to the Company and no more favourable to such Person than those of the mutual confidentiality agreement entered into with Altria and copies of information provided to such Person are provided to Altria.

An "**Acquisition Proposal**" means, other than the transactions contemplated by the Asset Purchase Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*) other than Altria (or any Affiliate of Altria) relating to: (a) any direct or indirect sale or disposition (or lease, license, royalty agreement, joint venture, long-term offtake agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of (i) assets of the Company and/or one or more of its Subsidiaries (including voting or equity securities of, or securities convertible into or exercisable or exchangeable for voting or equity securities of, any of the Company's Subsidiaries) representing, individually or in the aggregate, twenty percent (20%) or more of the consolidated assets of the Company and its Subsidiaries or contributing twenty percent (20%) or more of the consolidated annual revenue of the Company and its Subsidiaries (in each case based on the consolidated annual financial statements of the Company most recently filed as part of the documents filed publicly by or on behalf of the Company on SEDAR on or after March 15, 2021 (the "**Company Filings**") prior to such time) or (ii) twenty percent (20%) or more of the voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Company; (b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning twenty percent (20%) or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of (i) the Company or (ii) any of its Subsidiaries then outstanding (assuming, if applicable, the conversion, exchange or exercise of such securities convertible into or exercisable or exchangeable for voting or equity securities); (c) any plan of arrangement, merger, amalgamation, consolidation, security exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries resulting in such Person or group of Persons holding twenty percent (20%) or more of the consolidated assets of the Company and its Subsidiaries or contributing twenty percent (20%) or more of the consolidated revenue of the Company and its Subsidiaries (in each case based on the consolidated annual financial statements of the Company most recently filed as part of the Company Filings prior to such time); (d) any other transaction or series of transactions similar to any of the foregoing transactions involving the Company or any of its Subsidiaries; or (e) any other transaction the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the transactions contemplated by the Asset Purchase Agreement.

A "**Superior Proposal**" means any unsolicited bona fide written Acquisition Proposal from an arm's length third party other than Altria made after the date of the Asset Purchase Agreement to acquire one hundred percent (100%) of the outstanding shares of the Company, or all or substantially all of the assets of the Company that: (i) complies with Securities Laws and did not involve a breach of the non-solicitation restrictions described above; (ii) is not subject to a financing condition, or in respect of which the PODA Board determines in good faith, after receiving the advice of its outside legal counsel and financial advisors, that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal at the time and on the basis set out therein; (iii) is not subject to a due diligence condition; (iv) the PODA Board determines in good faith, after receiving the advice of its outside legal counsel and financial advisors, is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; and (v) in respect of which the PODA Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, that (a) such Acquisition Proposal would, if consummated in accordance with its terms and without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to the Shareholders than the transactions described in the Asset Purchase Agreement and (b) the failure to recommend such Acquisition Proposal to Shareholders would violate its fiduciary duties under applicable Law.

Right to Match

If, prior to the Sale Resolution being approved by the Shareholders at the Meeting, the Company receives an Acquisition Proposal that the PODA Board determines, in good faith, constitutes a Superior Proposal, the PODA Board may authorize the Company to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation, if and only if, (1) the Superior Proposal did not result from a breach by the Company of its non-solicitation obligations under the Asset Purchase Agreement, and the Company is, and continues to be, in compliance with such obligations; (2) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction; (3) the Company has delivered to Altria written notice of the Superior Proposal and of the intention of the PODA Board to enter into a definitive agreement with respect to the Superior Proposal or to make a Change in Recommendation, together with a written notice from the PODA Board regarding the value and financial terms that the PODA Board has determined should be ascribed to any non-cash consideration offered under the Acquisition Proposal (a "**Superior Proposal Notice**"); (4) the Company has provided Altria with a copy of the proposed definitive agreement for the Superior Proposal and all ancillary agreements and supporting materials; (5) at least five Business Days have elapsed from the date that is the later of the date on which Altria received the Superior Proposal Notice and the date on which Altria received all of the materials set forth above (the "**Matching Period**"); (6) during the Matching Period, Altria has had the opportunity (but not the obligation) in accordance with the Asset Purchase Agreement to offer to amend the Asset Purchase Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal; (7) after the Matching Period, the PODA Board has determined in good faith that the Acquisition Proposal continues to constitute a Superior Proposal; and (8) prior to or concurrently with entering into such definitive agreement the Company terminates the Asset Purchase Agreement and pays the Termination Fee.

During the Matching Period, or such longer period as the Company may approve: (i) Altria shall have the opportunity to offer to amend the Asset Purchase Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal; (ii) the PODA Board shall review any offer made by Altria to amend the terms of the Asset Purchase Agreement and to determine whether the proposal would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; and (iii) if the PODA Board determines, in good faith, that such Acquisition Proposal would cease to be a Superior Proposal as a result of such amendment, the Company shall negotiate in good faith with Altria to make such amendments to the terms of the Asset Purchase Agreement as would enable Altria to proceed with the transactions contemplated by the Asset Purchase Agreement on such amended terms. If the PODA Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company will promptly so advise Altria and the Company and Altria will amend the Asset Purchase Agreement to reflect such offer made by Altria.

If the Company provides a Superior Proposal Notice to Altria on a date that is less than ten Business Days before the Meeting, the Company shall be entitled to, and Altria shall be entitled to require the Company to, adjourn or postpone

the Meeting to a date that is not more than ten Business Days after the scheduled date of the Meeting; provided, however, that the Meeting shall not be adjourned or postponed to a date later than five Business Days before the Outside Date.

Conditions Precedent to Closing

Altria's Conditions Precedent to Closing

The obligation of Altria to complete the Closing is subject to the satisfaction, prior to or at the Closing of the following conditions for the exclusive benefit of Altria, which may only be waived, in whole or in part, by Altria in its sole discretion:

(a) ***Representations and Warranties***. Each of the representations and warranties of the Company and the Owners, as applicable, set forth in the Asset Purchase Agreement (i) that are not qualified by the term "materiality" (including the word "material") and do not contain a term such as "Material Adverse Effect" shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of the Closing Date with the same effect as if made on and as of such date, and (ii) that are qualified by the term "materiality" (including the word "material") or contain a term such as "Material Adverse Effect" shall have been true and correct in all respects when made and shall be true and correct in all respects as of the Closing Date with the same effect as if made on and as of such date.

(b) ***Compliance with the Asset Purchase Agreement***. The Company and the Owners shall have performed and complied in all material respects with all of their obligations under the Asset Purchase Agreement, which are to be performed or complied with by them prior to or on Closing;

(c) ***No Litigation***. No action shall be threatened or pending before any court or Governmental Authority that seeks restraint, prohibition, damages or other relief in connection with the Asset Purchase Agreement or the consummation of the transactions contemplated thereby;

(d) ***No Material Adverse Effect***. Since the date of the Asset Purchase Agreement, there shall not have been a Material Adverse Effect;

(e) ***Required Consents***. The Company and the Owners shall have obtained in writing and shall have delivered to Altria all of the required consents;

(f) ***Permits or Licenses***. With respect to each applicable permit or license, (a) to the extent transferable and required to be transferred on or prior to the Closing, such permit or license shall have been transferred to Altria or Altria shall have otherwise obtained such permit or license or (b) the Company or the Owners, as applicable, shall have filed with the appropriate Governmental Authorities all documentation required to be so filed, so that such permit or license will be transferred (to the extent transferable) to, or obtained by, Altria after the Closing so as to allow Altria to operate the Business following the Effective Time;

(g) ***Law***. No law is in effect that makes the consummation of the transactions contemplated by the Asset Purchase Agreement illegal or otherwise prohibits or enjoins the Company, the Owners or Altria from consummating the transactions contemplated thereby;

(h) ***Shareholder Approval***. The Shareholders shall have approved the Sale Resolution at the Meeting; and

(i) ***Deliveries***. Each of the Company and the Owners, respectively, shall have delivered to Altria various documents required by the Asset Purchase Agreement.

The Conditions Precedent to the Obligations of the Company and the Owners to Closing

The obligation of the Company and the Owners to complete the Closing is subject to the satisfaction, prior to or at the Closing, of the following conditions for the exclusive benefit of the Company and the Owners, which may only be waived, in whole or in part, by both the Company and the Owners in their sole discretion.

(a) ***Representations and Warranties***. Each of the representations and warranties of Altria set forth in the Asset Purchase Agreement (i) that are not qualified by the term "materiality" (including the word "material") and do not contain a term such as "Material Adverse Effect" shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of the Closing Date with the same effect as if made on and as of such date, and (ii) that are qualified by the term "materiality" (including the word "material") or contain a term such as "Material Adverse Effect" shall have been true and correct in all respects when made and shall be true and correct in all respects as of the Closing Date with the same effect as if made on and as of such date;

(b) ***Compliance with the Agreement***. Altria shall have performed and complied in all material respects with all of its obligations under the Asset Purchase Agreement which are to be performed or complied with by it prior to or on the Closing Date;

(c) ***Law***. No law is in effect that makes the consummation of the transactions contemplated by the Asset Purchase Agreement illegal or otherwise prohibits or enjoins the Company, the Owners or Altria from consummating the transactions contemplated therein;

(d) ***Shareholder Approval***. The Shareholders shall have approved the Sale Resolution at the Meeting; and

(e) ***Deliveries***. Altria shall have made the required payments at Closing and shall have delivered to the Company and/or the Owners, as applicable, various documents required by the Asset Purchase Agreement.

Termination

Termination of the Asset Purchase Agreement

The Asset Purchase Agreement may be terminated at any time prior to the Effective Time:

(a) by the mutual written agreement of the Company, the Owners and Altria;

(b) by the Company, the Owners or Altria, if: (a) the Sale Resolution is not approved by the Shareholders at the Meeting; (b) after the date of the Asset Purchase Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the transactions contemplated by the Asset Purchase Agreement illegal or otherwise prohibits the parties from consummating the transactions contemplated by the Asset Purchase Agreement, provided that the party seeking to terminate the Asset Purchase Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the transactions contemplated by the Asset Purchase Agreement; or (c) the Effective Time does not occur prior to the Outside Date, provided that a party may not terminate the Asset Purchase Agreement if the failure of the Effective Time to occur has been caused by a breach by such party of any of its representations or warranties or the failure of such party to perform any of its covenants or agreements under the Asset Purchase Agreement;

(c) by the Company or the Owners, if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Altria under the Asset Purchase Agreement occurs that would cause certain conditions under the Asset Purchase Agreement not to be satisfied and the breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided

that neither the Company nor the Owners is then in breach of the Asset Purchase Agreement so as to cause any such condition not to be satisfied; or

(d) by the Company, if prior to the approval of the Sale Resolution by the Shareholders, the PODA Board authorizes the Company to enter into a written agreement (other than a confidentiality or standstill agreement) with respect to a Superior Proposal, provided that the Company is then in compliance with the non-solicitation provisions of the Asset Purchase Agreement and that prior to or concurrent with such termination the Company pays the Termination Fee in accordance with the Asset Purchase Agreement; or

(e) by Altria, if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company or the Owners under the Asset Purchase Agreement occurs that would cause certain conditions under the Asset Purchase Agreement not to be satisfied and the breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided that Altria is not then in breach of the Asset Purchase Agreement so as to cause any such condition not to be satisfied;

(ii) (A) the PODA Board (or any committee thereof) fails to unanimously recommend or withdraws, amends, modifies or qualifies, or publicly proposes to withdraw, amend, modify or qualify, the Sale Resolution Board Recommendation, (B) the PODA Board (or any committee thereof) accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend, an Acquisition Proposal, (C) the PODA Board (or any committee thereof) accepts, approves, endorses, recommends or authorizes the Company or any of its Subsidiaries to execute or enter into or publicly proposes to accept, approve, endorse, recommend or authorize the Company or any of its Subsidiaries to execute or enter into any written agreement, understanding or arrangement in respect of an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with the Asset Purchase Agreement), (D) the PODA Board fails to publicly reaffirm (without qualification) the Sale Resolution Board Recommendation within five Business Days after having been requested in writing by Altria, acting reasonably, to do so (each, a "**Change in Recommendation**"), or (E) the Company breaches its obligations under Section 7.1 of the Asset Purchase Agreement in any material respect; or

(iii) there has occurred a Material Adverse Effect that is incapable of being cured on or before the Outside Date.

Termination Fee

If a Termination Fee Event occurs, the Company will be required to pay a termination fee of US$5,025,000 (the "**Termination Fee**"). A "**Termination Fee Event**" will occur if the Asset Purchase Agreement is terminated:

(a) by Altria, upon the PODA Board issuing a Change in Recommendation;

(b) by the Company, if prior to the approval of the Sale Resolution at the Meeting, the PODA Board authorizes the Company to enter into a written agreement (other than a confidentiality or standstill agreement permitted by the Asset Purchase Agreement) with respect to a Superior Proposal;

(c) by the Company or Altria, if the Sale Resolution is not approved or the Effective Time does not occur by the Outside Date or by Altria if the Company breaches certain of its representations and warranties; provided, that a Termination Fee Event will only have occurred with respect to the events described in clause (iii) if (A) prior to such termination an Acquisition Proposal is publicly announced and (B) within twelve months of such termination, (x) an Acquisition Proposal (whether

or not the same Acquisition Proposal described in clause (A) above) is consummated or (y) the Company or one or more of its Subsidiaries enters into an agreement with respect to an Acquisition Proposal and such Acquisition Proposal is later consummated (whether or not within the twelve month period following such termination).

Post-Closing Covenants

Post-Closing Assistance

The Asset Purchase Agreement provides that the Company and the Owners, respectively, will use their commercially reasonable efforts to assist Altria regarding the filing, prosecution, maintenance, and enforcement of patents and other intellectual property registrations regarding the Company Technology and the Owner Technology, as applicable, as Altria may reasonably request, which, at any time after the Closing shall be at the expense of Altria.

Further, the Company has agreed to deliver to a location to be agreed upon by Altria and the Company all existing inventory in its possession and in the possession of certain other Persons, no later than 30 days after Closing.

Name Change

Within three Business Days following the Closing Date, the Company has agreed to, at its expense execute and file such documents as are necessary to change the name of the Company and its Affiliates such that it does not incorporate the name "Poda" or any confusingly similar names, any derivatives thereof or names that may be reasonably confused with the Business (the "**PODA Names**"). From and after the Closing Date, the Company will not, and will cause its respective Affiliates not to, use any PODA Names or logos or other images incorporating the PODA Names.

Restrictive Covenants

Following Closing, the Company and the Owners have agreed not use or divulge any confidential information relating to the Business except on behalf of and with the written consent of Altria or any of its Affiliates, subject to certain customary exemptions.

For a period of five years after Closing, the Company has agreed that it will not, and shall cause its respective Affiliates not, to compete anywhere in the world with the Business as it is currently conducted or proposed to be conducted as of the Closing Date. In addition, for a period of five years after Closing, the Company and the Owners have agreed not to: (i) solicit, canvass, call on, divert from Altria or any of its Affiliates or its successors in interest (or attempt to do any of the foregoing) any suppliers or key customers of the Business that was a supplier or key customer of the Business at any time during the 24 months prior to the Closing Date; (ii) solicit, canvass, call on, divert from Altria or any of its Affiliates or its successors in interest (or attempt to do any of the foregoing) any business or patronage of individual retail customers that were retail customers at any time during the 24 months prior to the Closing Date for the purpose of competing with the Business; (iii) interfere with or disrupt (or attempt to do any of the foregoing) any relationships existing as of the Closing Date between the Company and/or the Owners or any of their Affiliates and any of the customers or suppliers or other individuals or entities with whom they deal in connection with the Business; (iv) solicit or induce (or attempt to do any of the foregoing) any individual who is then employed by Altria or any of its Affiliates or their successors in interest, to leave his, her or their employment with Altria or any of its Affiliates or their successors in interest; or (v) disparage the Business, the assets purchased by Altria pursuant to the Asset Purchase Agreement, including, without limitation, the Company Purchased Assets, Altria or any of its Affiliates, members, managers, shareholders, directors, officers, employees, agents, customers, attorneys, successors or assigns or their respective products or services, in any manner, in each case, subject to certain customary exemptions, as applicable.

Indemnity

Indemnification in favour of Altria

The Owners, jointly and severally, have agreed to indemnify and hold Altria, its Affiliates and their respective shareholders, directors, members, managers, officers, directors, employees, agents, representatives and Affiliates

harmless from and against, and agrees to defend them from and reimburse them for, any and all losses that they may at any time suffer or incur, or become subject to, as a result of or in connection with: (i) any breach of any of the representations and warranties made by the Company or the Owners in the Asset Purchase Agreement or any ancillary agreement thereto; (ii) any failure by the Company or the Owners to carry out, perform, satisfy and discharge any of its obligations under the Asset Purchase Agreement or any ancillary agreement thereto; (iii) any indebtedness of the Company; (iv) the Excluded Liabilities; and (v) any fraud, willful breach or intentional misrepresentation by the Company or the Owners. The obligation of the Owners to indemnify Altria in respect of breaches of representations and warranties shall only apply to claims asserted within one year of Closing, except for: (i) claims for indemnification in respect of tax, anti-corruption and environmental matters which survive until the later of the second anniversary of the Closing Date or 60 days after the expiration of the applicable statute of limitations, (ii) claims for indemnification in respect of the Company Technology and the Owner Technology which survive for a period of 18 months following the Closing Date, and (iii) claims in respect of breach of certain fundamental representations and warranties, which shall survive indefinitely.

Indemnification in favour of the Company and the Owners

Altria has agreed to indemnify and hold the Company, its directors, officers, employees, agents and representatives, and the Owners harmless from and against, and to defend them from and reimburse them for, any and all losses that they may at any time suffer or incur, or become subject to, as a result of or in connection with: (i) any breach of any of the representations and warranties made by Altria in the Asset Purchase Agreement or any ancillary agreement thereto; (ii) any failure by Altria to carry out, perform, satisfy and discharge any of its obligations under the Asset Purchase Agreement or any ancillary agreement thereto; and (iii) the Company Assumed Liabilities and Owner Assumed Liabilities (except to the extent Altria is entitled to be indemnified in respect thereof by the Owners). The obligation of Altria to indemnify the Company and the Owners shall only apply to rights asserted within one year of Closing, except for claims for indemnification in respect of certain fundamental representations which shall survive indefinitely.

Voting Agreements

Pursuant to the Asset Purchase Agreement, PODA agreed to cause Voting Agreements to be delivered by each of the PODA Locked-Up Shareholders. By May 13, 2022, each of the PODA Locked-Up Shareholders had entered into a Voting Agreement with Altria.

The following summarizes the material provisions of the Voting Agreements. This summary may not contain all of the information about the Voting Agreements that is important to Shareholders and is qualified in its entirety by reference to the Voting Agreements, copies of each of which have been filed by PODA on its SEDAR profile at www.sedar.com.

Altria entered into the Voting Agreements with the PODA Locked-Up Shareholders, whereby, among other things, such PODA Locked-Up Shareholders, in their capacities as security holders and not in their capacities as directors or officers of PODA have agreed, among other things, as follows:

(a) at the Meeting, to vote (or cause to be voted) all PODA Shares owned (beneficially or otherwise) as of the date of the Voting Agreement, and any other PODA Shares directly or indirectly acquired by or issued to such PODA Locked-Up Shareholder after the date of the Voting Agreements but prior to record date for the Meeting (all such PODA Shares owned by the undersigned as of such dates, collectively, the "**PODA Holder Securities**"), in favour of the Sale Resolution and any other matter necessary for the completion of the Sale Transaction (including in favour of all matters recommended by management of the Company);

(b) at the Meeting, to vote (or cause to be voted) all PODA Holder Securities against any (i) Acquisition Proposal other than the Sale Transaction, and (ii) any action, agreement, transaction or proposal that would result in a breach of any representation, warranty, covenant, agreement or other obligation of the undersigned under the Voting Agreement or otherwise impede, interfere with, delay, postpone, discourage, or adversely affect the consummation of the Sale Transaction;

(c) except as required pursuant to (b) above, not to, directly or indirectly, acquire or seek to acquire any PODA Shares or convertible securities without Altria's prior written consent;

(d) except as required to pursuant to the Voting Agreement (including to give effect to the terms of the Voting Agreement), not to, directly or indirectly, sell, assign, transfer, dispose of, hypothecate, alienate, grant a security interest in, encumber or tender to offer, transfer any economic interest (directly or indirectly) or otherwise convey any PODA Shares or convertible securities (including those directly or indirectly acquired by or issued to the undersigned after the date hereof), without Altria's prior written consent;

(e) not to exercise any Dissent Rights in connection with the Sale Transaction or raise any objections against the Sale Transaction; and

(f) except as required pursuant the above or otherwise in the Voting Agreement, not to grant or agree to grant any proxy or other right to vote the PODA Holder Securities or enter into any voting trust or pooling agreement or arrangement in respect of the PODA Holder Securities or enter into or subject any of the PODA Holder Securities to any other agreement, arrangement, understanding or commitment, formal or informal, with respect to or relating to the voting or tendering thereof or revoke any proxy granted pursuant to the Voting Agreement.

Under the Voting Agreements to which they are party, the Owners have also agreed not to, directly or indirectly (i) solicit, assist, initiate, knowingly encourage or otherwise facilitate any inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to an Alternative Proposal, (ii) continue, enter into or otherwise engage or participate in any discussions or negotiations with any Person, other than Altria and its Affiliates, regarding any Alternative Proposal, or inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to an Alternative Proposal, (iii) accept, approve, execute or enter into any letter of intent, agreement or arrangement in respect of an Alternative Proposal, or (iv) grant any consent or waiver of, or agree to amend or modify, any provision of any license in respect of the Owner Technology, including the A&R Royalties Agreement (the Owners have the right to terminate the A&R Royalties Agreement if the Company assigns, encumbers or transfers the A&R Royalties Agreement, or undergoes a change of control, without the Owners' prior consent or approval).

Under the Voting Agreements to which those Poda Locked-Up Shareholders who are not Owners, or directors or officers of the Company, are party, such Poda Locked-Up Shareholders have agreed subject to, and in accordance with, all applicable Law, to exercise, exchange or convert (as applicable) all securities convertible, exchangeable or exercisable for or into PODA Shares owned (beneficially or otherwise) as of the date of the Voting Agreement by such PODA Locked-Up Shareholders as promptly as reasonably practicable following the Announcement Date, but in any event in time to ensure such PODA Locked-Up Shareholders are recorded as the holder of record of the PODA Shares into which such securities are exercisable, exchangeable or convertible (as applicable) as of the Record Date;

Each of the Voting Agreements, except those to which the Owners are party, terminate upon the earliest of:

(a) the mutual written consent of the parties;

(b) the termination of the Asset Purchase Agreement in accordance with its terms;

(c) the Closing of the Sale Transaction;

(d) immediately following the Meeting, if the Sale Resolution is not approved thereat;

(e) on the effective date of any amendment to the Asset Purchase Agreement under which the consideration payable to the Company thereunder is reduced; and

(f) the Outside Date.

The Voting Agreements to which the Owners are party terminate on the earliest of:

(a) the mutual written consent of the parties;

(b) the Closing of the Sale Transaction; and

(c) 18 months from the date of such Voting Agreements.

As of the Record Date, the PODA Locked-Up Shareholders, collectively, beneficially owned, or exercised control or direction over, an aggregate of:

(a) 48,664,790 SVS, representing approximately 46.63% of the issued and outstanding SVS on a non-diluted basis; and

(b) 10,977.558 MVS, representing 22.43% of the issued and outstanding MVS on a non-diluted basis.

As of the Record Date, the PODA Locked-Up Shareholders beneficially owned, or exercised control or direction over, an aggregate of approximately 38.91% of the votes attached to the PODA Shares on a non-diluted basis.

Approval of the Sale Resolution

At the Meeting, Shareholders will be asked to approve the Sale Resolution, the full text of which is set out in Appendix "A" to this Circular. In order for the Sale Transaction to be completed, as provided in the Asset Purchase Agreement and by the BCBCA, the Sale Resolution must be approved by not less than 66⅔% of the votes cast on the Sale Resolution by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class. Should Shareholders fail to approve the Sale Resolution by the requisite majority, the Sale Transaction will not be completed. The Sale Resolution is not subject to the minority approval requirement of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, and after careful consideration of a number of alternatives and factors, including, among others, receipt of the unanimous recommendation from the Special Committee, the Fairness Opinion and the factors set out under the heading "*Sale of All or Substantially All of the Company's Assets - Reasons for the Sale Transaction*", the members of the PODA Board unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) determined that the Sale Transaction is in the best interests of PODA and the consideration to be received is fair to the Company and recommend that Shareholders vote **FOR** the Sale Resolution.

Required Shareholder Approvals

For the Sale Resolution, you may vote "**FOR**" or "**AGAINST**". Pursuant to the BCBCA, in order to be adopted, the Sale Resolution must be approved, with or without variation, by the affirmative vote of at least 66⅔% of the votes cast by holders of SVS and MVS, present in person or represented by proxy and entitled to vote at the Meeting, with all Shareholders voting together as a single class. Abstentions and broker non-votes will not have any effect on the approval of the Sale Resolution. Approval of the Shareholders must be received in order for the Company to complete the Sale Transaction in accordance with the Asset Purchase Agreement.

Should Shareholders fail to approve the Sale Resolution by the requisite majority, the Sale Transaction will not be completed. Notwithstanding the foregoing, the Sale Resolution authorizes the PODA Board, without further notice to or approval of Shareholders, to revoke the Sale Resolution at any time prior to the Closing Date.

The PODA Board (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) has approved the terms of the Sale Transaction and entry into the Asset Purchase Agreement and related agreements and unanimously (with the exception of Messrs. Selby and Karkairan, who declared their interest in the transactions contemplated by the Asset Purchase Agreement as the Owners and abstained from voting in respect thereof) recommends that Shareholders vote FOR the Sale Resolution. See "*Sale of All or Substantially All of the Company's*

Assets - Recommendation of the PODA Board" and "*Sale of All or Substantially All of the Company's Assets - Reasons for the Sale Transaction*".

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote FOR the approval of the Sale Resolution as disclosed in this Circular. If you do not specify how you want your PODA Shares to be voted at the Meeting, the Persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the Sale Resolution.

Dissent Rights

Registered Shareholders may exercise Dissent Rights with respect to the Sale Resolution pursuant to and in the manner set forth under Sections 237 to 247 of the BCBCA. **Registered Shareholders who wish to dissent should be aware for their dissent to be valid, they must comply strictly with the applicable dissent procedures.**

Dissent Rights With Respect to the Sale Resolution for Registered Shareholders

As indicated in the Notice of Meeting, any Registered Shareholder is entitled to be paid the fair value of the PODA Shares held by such holder in accordance with Section 245 of the BCBCA if such holder properly exercises Dissent Rights and the Sale Transaction is completed.

Anyone who is a beneficial owner of PODA Shares registered in the name of an Intermediary and who wishes to dissent should be aware that only Registered Shareholders are entitled to exercise Dissent Rights. A Registered Shareholder who holds PODA Shares as an Intermediary for one or more beneficial owners, one or more of whom wish to exercise Dissent Rights, must exercise such Dissent Rights on behalf of such holder(s). In such case, the notice should specify the number of PODA Shares held by the Intermediary for such beneficial owner. A Dissenting Shareholder may dissent only with respect to all, but not less than all, of the PODA Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder.

The following description of the right to dissent to which Registered Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of his, her or its PODA Shares and is qualified in its entirety by reference to Sections 237 to 247 of the BCBCA, which are attached to this Circular as Appendix "G". A Registered Shareholder who intends to exercise the Dissent Rights should carefully consider and strictly comply with the provisions of Sections 237 to 247 of the BCBCA and seek independent legal advice. Failure to comply strictly with the provisions of the BCBCA, and to adhere to the procedures established therein, may result in the loss of all rights thereunder.

Sections 237 to 247 of the BCBCA

Section 238 of the BCBCA provides a dissenting shareholder with the right to dissent from certain resolutions of a company which effect extraordinary corporate transactions or fundamental corporate changes. Section 301 of the BCBCA provides Registered Shareholders with the right to dissent from the Sale Resolution pursuant to Division 2 of Part 8 of the BCBCA. Any Registered Shareholder who validly dissents in respect of the Sale Resolution in compliance with Sections 237 to 247 of the BCBCA will be entitled, in the event that the Transaction becomes effective, to be paid by the Company the fair value of the PODA Shares held by the Dissenting Shareholder as determined as at the point in time immediately before the Sale Resolution is adopted by Shareholders.

A Dissenting Shareholder must dissent with respect to all, but not less than all, of the PODA Shares in which the holder owns a beneficial interest. A Registered Shareholder who wishes to dissent must deliver written notice of dissent (a "**Notice of Dissent**") to PODA on the date that is two days immediately prior to the Meeting, or any date to which the Meeting may be postponed or adjourned, and such Notice of Dissent must strictly comply with the requirements of Section 242 of the BCBCA. Any failure by a Registered Shareholder to fully comply may result in the loss of that holder's Dissent Rights.

Non-Registered Shareholders who wish to exercise Dissent Rights must arrange for the Registered Shareholder holding their PODA Shares to deliver the Notice of Dissent. A Registered Shareholder, such as a broker, who holds

PODA Shares as nominee for Non-Registered Shareholders, some of whom wish to dissent, must exercise the Dissent Rights on behalf of such Non-Registered Shareholders with respect to all of the PODA Shares held for such Non-Registered Shareholders. In such case, the demand for dissent should set out the number of PODA Shares covered by it.

The exercise of Dissent Rights does not deprive a Registered Shareholder of the right to vote at the Meeting. However, a Shareholder is not entitled to exercise Dissent Rights in respect of the Sale Resolution if such holder votes any of the PODA Shares beneficially held by such holder FOR the Sale Resolution. The execution or exercise of a proxy against the Sale Resolution does not constitute a written objection for purposes of the right to dissent under Section 238 of the BCBCA.

A vote against the Sale Resolution, whether by attending and voting at the Meeting, or not voting on the Sale Resolution does not constitute a Notice of Dissent. Promptly after the Sale Resolution is approved by the Shareholders, the Company must send to each Dissenting Shareholder a notice that the Sale Resolution has been adopted, stating that the Company intends to act, or has acted, on the authority of the Sale Resolution (the "**Notice of Intention**") and advise the Dissenting Shareholder of the manner in which dissent is to be completed under Section 244 of the BCBCA.

If the Sale Resolution is adopted by the Shareholders as required at the Meeting, and if PODA sends the Notice of Intention to the Dissenting Shareholders, pursuant to Section 244 of the BCBCA, the Dissenting Shareholder is then required, within one month after receipt of the Notice of Intention, to send to the Company or the Transfer Agent a signed written notice setting out the Dissenting Shareholder's name, the number and class of PODA Shares in respect of which the Dissenting Shareholder dissents and that the Dissent Right is being exercised in respect of all of the Dissenting Shareholder's PODA Shares. The written notice should contain any share certificate or certificates representing the PODA Shares in respect of which the Dissenting Shareholder has exercised Dissent Rights (if any) and a demand for payment of the fair value of such PODA Shares. A Dissenting Shareholder who fails to send to the Company or the Transfer Agent within the required periods of time the required notices or the certificates representing the PODA Shares in respect of which the Dissenting Shareholder has dissented may forfeit its Dissent Rights. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold its PODA Shares and the Company must comply with Section 245 of the BCBCA.

The Dissenting Shareholder and the Company may agree on the fair value of the Dissenting Shares (the "**Payout Value**"); otherwise, either party may apply to the Court to determine the Payout Value, and the Court may determine the Payout Value, or order that the Payout Value be established by arbitration or by reference to the registrar or a referee of the Court. If the Sale Transaction is completed and the Dissenting Shareholder has complied with Section 244 of the BCBCA, after a determination of the Payout Value of the Dissenting Shares, the Company must then promptly pay that amount to the Dissenting Shareholder.

Addresses for Notice

All Notices of Dissent with respect to the Sale Resolution pursuant to Section 242 of the BCBCA should be addressed to the attention of the Corporate Secretary of the Company and be sent not later than 5:00 p.m. (Vancouver time) on the date that is two days immediately prior to the Meeting, or any date to which the Meeting may be postponed or adjourned, to:

Poda Holdings, Inc.
c/o DLA Piper (Canada) LLP
Suite 2800, Park Place
666 Burrard St
Vancouver, BC V6C 2Z7

Attention: Denis Silva

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide comprehensive statements of the procedures to be followed by a Dissenting Shareholder under Part 8, Division 2 of the BCBCA, and reference should be made to the specific provisions of Sections 237 to 247 of the BCBCA. The BCBCA requires strict adherence to the procedures regarding the exercise of rights established therein. The failure to adhere to such procedures may result in the loss of all rights of dissent. Accordingly, each Registered Shareholder who wishes to exercise Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA and consult a legal advisor. A copy of Sections 237 to 247 of the BCBCA is set out in Appendix "G" to this Circular.

The Company suggests that any Registered Shareholder wishing to avail himself, herself or itself of the Dissent Rights seek his or her own legal advice as failure to comply strictly with the applicable provisions of the BCBCA may prejudice the availability of such Dissent Rights. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

Amendments to the Articles

The PODA Board proposes to alter the Articles in order to: (i) vary the special rights and restrictions attached to the SVS with respect to the participation of the SVS in returns of capital and dividends (the "**SVS Amendment**") such that they will have the special rights and restrictions set out in Schedule 1 to the special resolution of the SVS Shareholders in respect of such SVS Amendment set forth in Appendix "B" hereto (the "**SVS Amendment Resolution**"); (ii) vary the special rights and restrictions attached to the MVS with respect to the participation of the MVS in returns of capital and dividends (the "**MVS Amendment**") such that they will have the special rights and restrictions set out in Schedule 1 to the special resolution of the MVS Shareholders in respect of such MVS Amendment set forth in Appendix "D" hereto (the "**MVS Amendment Resolution**").

Background to the Amendments

If the Sale Transaction closes, the Company anticipates making the Capital Distribution by way of a return of capital and corresponding reduction in the capital of each of the SVS and MVS, returning all of the paid-up capital to the holders of the MVS and the SVS, pro rata according to their holdings of each class. The remaining cash held by the Company, after taking into consideration all closing costs related to the Sale Transaction, tax and any other fees, will be reviewed by the PODA Board in the anticipation of paying one or more Dividends to all SVS Shareholders and MVS Shareholders, with the exception of cash the PODA Board deems appropriate to leave in the Company after the payment of such Dividends. See "*Capital Reductions and Return of Capital*".

As of the date hereof, there are 104,356,679 SVS outstanding and 48.936.545 MVS outstanding. The aggregate paid-up capital of the SVS is approximately CDN$23.7 million, which is equivalent to approximately $0.227 per SVS, and the aggregate paid-up capital of the MVS is approximately CDN$2.7 million, which is the equivalent to approximately $0.056 per MVS (on an as-converted to SVS basis). It is expected that the paid-up capital of the MVS and the SVS will change by the time the Capital Distribution is made as a result of the exercise of stock options and convertible securities.

The Articles presently provide that, in the event of any distribution by the Company among its Shareholders upon a reduction or return of its capital, the MVS Shareholders will, subject to the prior rights of the holders of any shares of the Company ranking in priority to the MVS, be entitled to participate ratably along with all other holders of MVS (on an as-converted to SVS basis) and SVS. As of the date hereof, the Conversion Ratio in respect of the MVS is 1,000 SVS for each such MVS converted, which Conversion Ratio is subject to adjustment in accordance with the Articles. Accordingly, the paid-up capital of the MVS is substantially less on a per share basis than 1,000 times the paid-up capital of the SVS on a per share basis.

It is more tax efficient to structure the Distribution as a Capital Distribution to the extent of the amount of paid-up capital of the SVS and MVS rather than as Dividends. See "*Certain Canadian Income Tax Considerations - Residents of Canada - Capital Distributions*".

Given that the Articles provide that: (i) any return of capital must be made to the holders of MVS and SVS in an amount per share which is equivalent, assuming conversion of the MVS to SVS at the Conversion Ratio, and that the paid-up capital of the MVS on a per-share basis is substantially less than 1,000 times the paid-up capital of the SVS on a per share basis, the favourable tax treatment of a return of capital distribution will be significantly limited if the Capital Distribution must be carried out according to the terms of the Articles as they presently stand; and (ii) dividends must be declared and paid to holders of MVS and SVS on a basis assuming conversion of the MVS to SVS in an amount per share which is equivalent, assuming conversion of the MVS to SVS at the Conversion Ratio, and that more will be paid to holders of SVS on the Return of Capital than to the holders of MVS (on an as-converted basis) because of the difference in the paid-up capital of the two classes, it is necessary that the Dividend to be paid on the MVS is paid on a different basis if the per-share amount of the total Distribution is to be identical as between the two classes. Accordingly, the Company is seeking the approval of the Shareholders for the Amendments to the Articles which will: (i) provide for participation in the Capital Distribution by each class to the maximum amount permitted to fully repay the paid-up capital of each class; and (ii) allow the Company to declare and pay dividends to the holders of MVS and SVS in an amount per share which is not equivalent assuming conversion of the MVS to SVS at the Conversion Ratio, so long as: (A) the payment of the dividend is in connection with a return of capital, and (B) the per share amount of such return of capital and dividend together is equivalent as between the SVS and the MVS (on an as-converted basis). See "*Capital Reductions and Return of Capital*".

For a description of the principal Canadian federal income tax considerations applicable to the Shareholders in connection with the Capital Distribution, see "*Certain Canadian Federal Income Tax Considerations*".

Recommendation of the PODA Board

The PODA Board has unanimously determined that the Amendments are in the best interests of the Company and the Shareholders and unanimously recommends that the SVS Shareholders vote in favour of the SVS Amendment Resolution and that the MVS Shareholders vote in favour of the MVS Amendment Resolution. In reaching its conclusion and recommendation, the PODA Board considered, among other things, the following factors: (i) the advice and assistance of the Company's management and strategic advisors in evaluating the Distribution; and (ii) the anticipated tax advantages to Shareholders in connection with the distribution of a portion of the Company Purchase Price as a return of capital. See "*Certain Canadian Income Tax Considerations*".

The foregoing discussion of the information and factors considered and given weight by the PODA Board is not intended to be exhaustive. In reaching the determination to recommend for approval the Amendment Resolutions, the PODA Board did not assign any relative or specific weights to the factors which were considered, and individual directors may have given differing weights to different factors.

Amendment Resolutions

SVS Amendment Resolution

At the Meeting, SVS Shareholders will be asked to consider, and if deemed appropriate, to pass the SVS Amendment Resolution to approve the SVS Amendment, the full text of which is set out in Appendix "B" to this Circular. Pursuant to the Articles and the BCBCA concerning special resolutions, the SVS Amendment Resolution must be approved by 66⅔% of the votes cast by SVS Shareholders present or represented by proxy and entitled to vote at the Meeting. Should SVS Shareholders fail to approve the SVS Amendment Resolution by the requisite majority, the SVS Amendment will not be made as set forth above. The SVS Amendment Resolution is not subject to the minority approval requirement of Multilateral Instrument - *Protection of Minority Security Holders in Special Transactions*.

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, the members of the PODA Board determined that the SVS Amendment Resolution is in the best interests of PODA and its Shareholders and accordingly, the PODA Board unanimously recommends that SVS Shareholders vote **FOR** the SVS Amendment Resolution.

For the SVS Amendment Resolution, you may vote "**FOR**" or "**AGAINST**". Pursuant to the BCBCA, in order to be adopted, the SVS Amendment Resolution must be approved, with or without variation, by the affirmative vote of at

least 66⅔% of the votes cast by holders of SVS, present or represented by proxy and entitled to vote at the Meeting. Abstentions and broker non-votes will not have any effect on the approval of the SVS Amendment Resolution.

Should Shareholders fail to approve the SVS Amendment Resolution by the requisite majority, the SVS Amendment will not be made. Notwithstanding the foregoing, the SVS Amendment Resolution authorizes the PODA Board, without further notice to or approval of SVS Shareholders to determine not to proceed with the SVS Amendment to the Articles, in its sole discretion.

The PODA Board unanimously recommends that Shareholders vote FOR the SVS Amendment Resolution. See "*Amendments to the Articles – Recommendation of the PODA Board in respect of the Amendments*".

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote FOR the approval of the SVS Amendment Resolution as disclosed in this Circular.

MVS Amendment Resolution

At the Meeting, MVS Shareholders will be asked to consider, and if deemed appropriate, to pass the MVS Amendment Resolution to approve the MVS Amendment, the full text of which is set out in Appendix "D" to this Circular. Pursuant to the Articles and the BCBCA, the MVS Amendment Resolution must be approved by 66⅔% of the votes cast by MVS Shareholders present or represented by proxy and entitled to vote at the Meeting. Should MVS Shareholders fail to approve the MVS Amendment Resolution by the requisite majority, the MVS Amendment will not be made as set forth above. The MVS Amendment Resolution is not subject to the minority approval requirement of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, the members of the PODA Board determined that the MVS Amendment Resolution is in the best interests of PODA and its Shareholders and accordingly, the PODA Board unanimously recommends that MVS Shareholders vote **FOR** the MVS Amendment Resolution.

For the MVS Amendment Resolution, you may vote "**FOR**" or "**AGAINST**". Pursuant to the BCBCA, in order to be adopted, the MVS Amendment Resolution must be approved, with or without variation, by the affirmative vote of at least 66⅔% of the votes cast by holders of MVS, present or represented by proxy and entitled to vote at the Meeting. Abstentions and broker non-votes will not have any effect on the approval of the MVS Amendment Resolution.

Should Shareholders fail to approve the MVS Amendment Resolution by the requisite majority, the MVS Amendment will not be made. Notwithstanding the foregoing, the MVS Amendment Resolution authorizes the PODA Board, without further notice to or approval of MVS Shareholders to determine not to proceed with the MVS Amendment to the Articles, in its sole discretion.

The PODA Board unanimously recommends that Shareholders vote **FOR** the MVS Amendment Resolution. See "*Amendments to the Articles – Recommendation of the PODA Board in respect of the Amendments*".

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote FOR the approval of the MVS Amendment Resolution as disclosed in this Circular.

The Amendment Resolutions are not contingent on the Sale Resolution being approved at the Meeting.

Capital Reductions and Return of Capital

Background to the Capital Reductions and Return of Capital

Assuming a foreign exchange rate of US$1.00 = CDN$1.2953, being the exchange rate as of the Announcement Date, the total amount of the Company Purchase Price will be approximately CDN$71.6 million. The Company anticipates utilizing the Company Purchase Price in the following manner: (i) promptly following Closing, to pay the Company's fees, outstanding accounts payable, costs and expenses in connection with the Asset Purchase Agreement and Sale

Transaction, which will include, without limitation, the High Standard Fee and the Change of Control Amounts, costs and expenses with respect to the Fairness Opinion, and payments and expenses for legal services, printing and mailing, together with all applicable taxes thereon, estimated to be approximately CDN$10.5 million; (ii) the Company will retain an amount of approximately CDN$6.5 million to satisfy estimated capital gains taxes on the Company Purchase Price; (iii) the Company will retain an amount of approximately CDN$1 million in order to search out, and if considered appropriate by the PODA Board, participate in new business opportunities; (iv) the Company will use approximately CDN$65.8 million (including the remaining amount of the Company Purchase Price of CDN$54 million and estimated cash on hand of CDN$11.8 million) to make the Distribution, currently estimated to be approximately CDN$0.40 per share, to be composed of (A) the Capital Distribution, in accordance with the special rights and restrictions as to participation in returns of capital on the SVS and the MVS under the Articles as altered by the Amendment Resolutions; and (B) the Dividend(s) on the SVS and MVS, in an amount or amounts to be determined by the PODA Board in its sole discretion, in accordance with the special rights and restrictions of the SVS and the MVS as to participation in dividends under the Articles as altered by the Amendment Resolutions. If the Amendment Resolutions are adopted, such special rights and restrictions will provide that: (i) the SVS and the MVS will each participate in returns of capital to the maximum amount permitted in order to fully repay the paid-up capital of such class; and (ii) although the SVS and the MVS will generally participate in returns of capital and dividends each on the basis of an equivalent amount per share on the SVS and the MVS (on an as-converted basis), the Company will be permitted to make returns of capital and declare and pay dividends on a different basis, so long as: (A) the dividend is paid in connection with a return of capital, and (B) the per share amount of such return of capital and dividend together is equivalent as between the SVS and the MVS (on an as-converted basis). The Capital Distribution will be conditional upon adoption of the Amendment Resolutions and the Capital Reduction Resolutions.

Although management of the Company believes that the foregoing estimates are reasonable based on information currently available to the Company, the actual amounts may different materially from those presented above and the cash amount distributed to Shareholders from the proceeds of the Sale Transaction may be less than the estimate of CDN$0.40 per share for a variety of reasons.

Holders of outstanding stock options, warrants and convertible debentures issued by the Company will not be entitled to participate in the Distribution. In order to participate in the Distribution, holders of such securities must duly exercise or convert such securities in accordance with their terms prior to the Distribution Record Date. Any such exercises or conversions will reduce the per share amount of the Distribution.

A portion of the Distribution will be composed of a distribution (the "**Capital Distribution**") on the PODA Shares by way of a return of capital. The Company's Articles presently provide that, in the event of any distribution by the Company among its Shareholders upon a reduction or return of its capital, the MVS Shareholders will be entitled to participate ratably along with all other holders of MVS (on an as-converted to SVS basis) and SVS. As of the date hereof, the Conversion Ratio in respect of the MVS is 1,000 SVS for each such MVS converted. Accordingly, the paid-up capital of the MVS is substantially less on a per share basis than 1,000 times the paid-up capital of the SVS on a per share basis. If the Amendment Resolutions are adopted, the Articles will provide that: (i) the SVS and the MVS will each participate in returns of capital to the maximum amount permitted in order to fully repay the paid-up capital of such class; and (ii) that, although the SVS and the MVS will generally participate in returns of capital and dividends each on the basis of an equivalent amount per share on the SVS and the MVS (on an as-converted basis), the Company will be permitted to make returns of capital and declare and pay dividends on a different basis, so long as: (A) the dividend is paid in connection with a return of capital, and (B) the per share amount of such return of capital and dividend together is equivalent as between the SVS and the MVS (on an as-converted basis).

If the Amendment Resolutions and the Capital Reduction Resolutions are adopted, the Company intends to apply approximately CDN$26.4 million of the net proceeds of Sale Transaction in respect of a Capital Distribution: (i) on the MVS in an amount (the "**MVS Capital Distribution Amount**") equal to all of the paid-up capital of the MVS; and (ii) on the SVS (the "**SVS Capital Distribution Amount**") equal to all of the paid-up capital on the SVS,

As of the date hereof, there are 104,356,679 SVS outstanding and 48,936.545 MVS outstanding. The aggregate paid-up capital of the SVS is approximately CDN$23.7 million, which is equivalent to approximately $0.227 per SVS, and the aggregate paid-up capital of the MVS is approximately CDN$2.7 million, which is equivalent to approximately $0.056 per MVS (on an as-converted to SVS basis). It is expected that the paid-up capital of the MVS and the SVS will change by the time the Capital Distribution is made as a result of the exercise of stock options and convertible

securities. For a description of the principal Canadian federal income tax considerations applicable to the Shareholders in connection with the Capital Distribution, see "*Certain Canadian Federal Income Tax Considerations*".

The MVS Capital Distribution Amount will be distributed pro rata to holders of MVS according to their holdings of MVS, and the SVS Capital Distribution Amount will be distributed pro rata to holders of SVS according to their holdings of SVS. If the requisite approvals are obtained at the Meeting from the SVS Shareholders and the MVS Shareholders, respectively, the Distribution (and accordingly the Capital Distribution) will take place on a date determined by the PODA Board (the "**Distribution Record Date**"). The Company anticipates that the Distribution Record Date will occur within 60 days after closing the Sale Transaction, and the PODA Board anticipates using a portion of the balance of the sale proceeds of approximately CDN$39.48 million (assuming the exercise of certain outstanding options and warrants and the resulting increase in the amount of the Return of Capital) to declare and pay one or more Dividends on the SVS and MVS in amounts determined by the PODA Board, in its sole discretion, to MVS Shareholders and SVS Shareholders as of the Distribution Record Date. The actual amount of any Dividends declared will be such as to ensure that the total Distribution to holders of each class will be pro rata on a per-share basis, assuming conversion of the MVS to SVS at the Conversion Ratio.

Shareholders of record on the Distribution Record Date will be entitled to receive their pro-rata share of the SVS Capital Distribution Amount divided by the number of SVS outstanding on the Distribution Record Date and will be entitled to receive their pro rata share of the MVS Capital Distribution Amount divided by the number of MVS outstanding on the Distribution Record Date.

While the Capital Distribution itself does not require Shareholder approval, a return of capital to the Shareholders requires a reduction in the capital of the SVS and MVS, respectively. The Capital Reductions will require approval by special resolutions of the each of holders of the SVS and MVS.

At the Meeting, SVS Shareholders will be asked to consider and, if deemed advisable, to approve the SVS Capital Reduction Resolution authorizing the Company to reduce the capital of the SVS by the SVS Capital Distribution Amount, for the purpose of distributing the SVS Capital Distribution Amount as a return of capital. In addition, at the Meeting, MVS Shareholders will be asked to consider and, if deemed advisable, to approve the MVS Capital Reduction Resolution authorizing the Company to reduce the capital of the MVS by the MVS Capital Distribution Amount, for the purpose of distributing the MVS Capital Distribution Amount as a return of capital.

If the Amendment Resolutions and the Capital Reduction Resolutions are approved by the Shareholders at the Meeting, the PODA Board intends to confirm the SVS Capital Distribution Amount, the MVS Capital Distribution Amount and the Distribution Record Date as soon as practicable following the completion of the Sale Transaction, subject to applicable statutory and regulatory requirements and to the exercise by the PODA Board of its fiduciary duties.

The PODA Board intend to continue to assess the Company's strategic alternatives and, notwithstanding the foregoing and Shareholder approval of the Amendment Resolutions and the Capital Reduction Resolutions, retains the discretion not to proceed with the Distribution as set forth above or otherwise in this Circular or at all if it determines that such proposed plan of Distribution is no longer in the best interests of the Company and its Shareholders.

In no case will a Capital Distribution be made on one class of PODA Shares but not the other if only one of the Amendment Resolutions or the Capital Reduction Resolutions is adopted.

Effect of the Capital Distribution

The PODA Board believes that the Capital Distribution will be an appropriate use of the financial resources of the Company following completion of the Sale Transaction. The resulting financial resources available to the Company following payment of the Capital Distribution are expected to be adequate to declare and pay one or more Dividends on the PODA Shares and otherwise fund the Company's operations moving forward.

As of the date of this Circular, the Company has no reasonable grounds to believe that the realizable value of the Company's assets would, after giving effect to the reduction in capital contemplated by the MVS Capital Reduction Resolution and the SVS Capital Reduction Resolution, be less than the aggregate of its liabilities.

For a description of the principal Canadian federal income tax considerations applicable to the Shareholders in connection with the Capital Distribution, see "Certain Canadian Federal Income Tax Considerations".

Recommendation of the PODA Board

The PODA Board has unanimously determined that the Capital Reductions are in the best interests of the Company and the Shareholders and unanimously recommends that the SVS Shareholders vote in favour of the SVS Capital Reduction Resolution and that the MVS Shareholders vote in favour of the MVS Capital Reduction Resolution.

In reaching its conclusion and recommendation, the PODA Board considered, among other things, the following factors: (i) information concerning the financial condition, results of operations, business plans and prospects of the Company, both before and after giving effect to the Capital Distribution; (ii) alternative uses of the net proceeds of the Sale Transaction; (iii) the advice and assistance of the Company's management and strategic advisors in evaluating the Distribution; and (iv) the anticipated tax advantages to Shareholders in connection with the distribution of a portion of the Company Purchase Price as a return of capital. See "Certain Canadian Income Tax Considerations".

The foregoing discussion of the information and factors considered and given weight by the PODA Board is not intended to be exhaustive. In reaching the determination to recommend for approval the Capital Reduction Resolutions, the PODA Board did not assign any relative or specific weights to the factors which were considered, and individual directors may have given differing weights to different factors.

Capital Reduction Resolutions

The Capital Reduction Resolutions will proceed to a vote only if the Sale Resolution and the Amendment Resolutions are first approved at the Meeting. While a Capital Distribution itself does not require Shareholder approval, pursuant to the BCBCA, the Company must obtain: (i) SVS Shareholder approval of the SVS Capital Reduction Resolution in order to proceed with the reduction of the capital of the SVS by way of a Capital Distribution; and (ii) MVS Shareholder approval of the MVS Capital Reduction Resolution in order to proceed with the reduction of the capital of the MVS by way of a Capital Distribution.

SVS Capital Reduction Resolution

At the Meeting, assuming approval of the Sale Resolution, SVS Shareholders will be asked to consider, and if deemed appropriate, to pass the SVS Capital Reduction Resolution to approve the SVS Capital Reduction, the full text of which is set out in Appendix "C" to this Circular. Pursuant to the Articles and the BCBCA, the SVS Capital Reduction Resolution must be approved by 66⅔% of the votes cast by SVS Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Should SVS Shareholders fail to approve the SVS Capital Reduction Resolution by the requisite majority, the Capital Distribution will not be made.

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, the members of the PODA Board unanimously determined that the SVS Capital Reduction Resolution is in the best interests of PODA and its Shareholders and accordingly recommends that SVS Shareholders vote **FOR** the SVS Capital Reduction Resolution.

For the SVS Capital Reduction Resolution, you may vote "**FOR**" or "**AGAINST**". Pursuant to the BCBCA, in order to be adopted, the SVS Capital Reduction Resolution must be approved, with or without variation, by the affirmative vote of at least 66⅔% of the votes cast by SVS Shareholders, present in person or represented by proxy and entitled to vote at the Meeting. Abstentions and broker non-votes will not have any effect on the approval of the SVS Capital Reduction Resolution. Approval of the SVS Shareholders must be received in order for the Company to complete the Capital Distribution to the SVS Shareholders.

Should the SVS Shareholders fail to approve the SVS Capital Reduction Resolution by the requisite majority, no Capital Distribution will be made. Notwithstanding the foregoing, the SVS Capital Reduction Resolution authorizes the PODA Board, without further notice to or approval of SVS Shareholders to determine not to proceed with the Capital Distribution, in its sole discretion.

The PODA Board unanimously recommends that SVS Shareholders vote **FOR** the SVS Capital Reduction Resolution. See "*Capital Reductions and Return Of Capital – Recommendation of the PODA Board*".

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote FOR the approval of the SVS Capital Reduction Resolution as disclosed in this Circular. If you do not specify how you want your PODA Shares to be voted at the Meeting, the Persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the approval of the SVS Capital Reduction Resolution.

MVS Capital Reduction Resolution

At the Meeting, assuming approval of the Sale Resolution, MVS Shareholders will be asked to consider, and if deemed appropriate, to pass the MVS Capital Reduction Resolution to approve the MVS Capital Reduction, the full text of which is set out in Appendix "E" to this Circular. Pursuant to the Articles and the BCBCA, the MVS Capital Reduction Resolution must be approved by 66⅔% of the votes cast by MVS Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Should MVS Shareholders fail to approve the MVS Capital Reduction Resolution by the requisite majority, the Capital Distribution will not be made.

After consulting with PODA management and receiving advice and assistance of its financial and legal advisors, the members of the PODA Board unanimously determined that the MVS Capital Reduction Resolution is in the best interests of PODA and its Shareholders and accordingly, the recommends that MVS Shareholders vote **FOR** the MVS Capital Reduction Resolution.

For the MVS Capital Reduction Resolution, you may vote "**FOR**" or "**AGAINST**". Pursuant to the BCBCA, in order to be adopted, the MVS Capital Reduction Resolution must be approved, with or without variation, by the affirmative vote of at least 66⅔% of the votes cast by MVS Shareholders, present in person or represented by proxy and entitled to vote at the Meeting. Abstentions and broker non-votes will not have any effect on the approval of the MVS Capital Reduction Resolution. Approval of the MVS Shareholders must be received in order for the Company to complete the Capital Distribution to the MVS Shareholders.

Should the MVS Shareholders fail to approve the MVS Capital Reduction Resolution by the requisite majority, no Capital Distribution will be made. Notwithstanding the foregoing, the MVS Capital Reduction Resolution authorizes the PODA Board, without further notice to or approval of MVS Shareholders to determine not to proceed with the Capital Distribution, in its sole discretion.

The PODA Board unanimously recommends that MVS Shareholders vote **FOR** the MVS Capital Reduction Resolution. See "*Capital Reductions and Return Of Capital – Recommendation of the PODA Board*".

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote FOR the approval of the MVS Capital Reduction Resolution as disclosed in this Circular. If you do not specify how you want your PODA Shares to be voted at the Meeting, the Persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting FOR the approval of the MVS Capital Reduction Resolution.

RISK FACTORS

In evaluating the matters put forward at the Meeting, Shareholders should carefully consider the following risk factors before deciding to vote or instructing their vote to be cast to approve the Resolutions. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Company and the PODA Shares. In addition to the risk factors set out below, Shareholders should also carefully

consider the risk factors applicable to the Company set out in the PODA Listing Statement under the heading "*Risk Factors*", a copy of which is available under the Company's profile on SEDAR at www.sedar.com.

The following risk factors are not an exhaustive list of all of the risk factors associated with the Sale Transaction, the Asset Purchase Agreement or the Distribution. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the PODA Shares and the business of the Company following Closing. All of the risk factors described in this Circular should be considered by Shareholders in conjunction with the other information included in this Circular, including the appendices hereto.

Risks Related to the Sale Transaction

There can be no certainty that all conditions precedent to the Sale Transaction will be satisfied

The completion of the Sale Transaction is subject to a number of conditions precedent, certain of which are outside the control of the Company, including approval by the Shareholders and obtaining certain required consents. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Sale Transaction is not completed and the PODA Board decides to seek another sale, merger or business transaction, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Company Purchase Price to be paid for the Company Purchased Assets pursuant to the Asset Purchase Agreement. See "*The Asset Purchase Agreement - Conditions Precedent to Closing*". If the Sale Transaction is not completed, the market price of the SVS may decline to the extent that the market price reflects a market assumption that the Sale Transaction will be completed.

The Asset Purchase Agreement may be terminated in certain circumstances

Each of the Company, the Owners and Altria has the right to terminate the Asset Purchase Agreement in certain circumstances. See "*The Asset Purchase Agreement - Termination*". Accordingly, there is no certainty, nor can the Company provide any assurance, that the Asset Purchase Agreement will not be terminated by the Company, the Owners or Altria before the completion of the Sale Transaction. If the Asset Purchase Agreement is terminated and the Sale Transaction is not completed, then the market price of the SVS may decline to the extent that the market price currently reflects a market assumption that the Sale Transaction will be completed. If the Asset Purchase Agreement is terminated, there is no assurance that PODA will be able to find an alternative transaction, or that the terms of any alternative transaction would be more or less favourable than the terms set forth in the Asset Purchase Agreement. In addition, PODA may be required to pay the Termination Fee, depending on the circumstances of the termination. The payment of the Termination Fee can be expected to have a material adverse effect on the Company's business, financial condition and results of operations, and may cause the value of the PODA Shares to decline. If the Asset Purchase Agreement is terminated and the Sale Transaction is not completed, the market price of the PODA Shares may decline to the extent that the market price reflects an assumption that the Sale Transaction will be completed.

There can be no certainty that Shareholder approval will be obtained

If the Sale Resolution is not approved by at least 66⅔% of Shareholders at the Meeting, voting in person or by proxy, the Sale Transaction will not be completed. There can be no certainty, nor can the Company provide any assurance, that the requisite Shareholder approval of the Sale Resolution will be obtained. There is no assurance that there will not be Dissenting Shareholders.

The Termination Fee provided under the Asset Purchase Agreement if the Asset Purchase Agreement is terminated in certain circumstances may discourage other parties from attempting to acquire the Company

Under the Asset Purchase Agreement, the Company is required to pay a Termination Fee of US$5,025,000 in the event the Asset Purchase Agreement is terminated following the occurrence of a Termination Fee Event. The Termination Fee may discourage other parties from attempting to acquire the PODA Shares even if those parties would otherwise be willing to offer greater value than that offered under the Sale Transaction. See "*The Asset Purchase Agreement — Termination Fee*".

Potential Payments to Dissenting Shareholders could have an adverse effect on the Company's financial condition

Registered Shareholders have the right to exercise Dissent Rights and to demand payment equal to the fair value of their PODA Shares in cash. No assurance can be given as to the number of PODA Shares in respect of which Dissent Rights may be exercised, if any, or the ultimate outcome of the process required to deal with the exercise of Dissent Rights, including the amount a court may determine to be the fair value of the PODA Shares in respect of which Dissent Rights are exercised and the amount of cash PODA may be required to pay to Dissenting Shareholders as a result thereof. If Dissent Rights are validly exercised in respect of a significant number of PODA Shares, a substantial cash payment may be required to be made to such Shareholders, which would have an adverse effect on the Company's financial condition and cash resources.

The Company may have to make a termination payment

If the Sale Resolution is not approved by the Shareholders at the Meeting, and the Asset Purchase Agreement is terminated, the Company will be required to pay the Termination Fee to Altria, which may be expected to have a material adverse effect on the Company's business, financial condition and results of operations, and may cause the value of the PODA Shares to decline.

The announcement and pending status of the Sale Transaction, whether or not consummated, may adversely affect PODA's operations

The announcement and pending status of the Sale Transaction, whether or not consummated, may adversely affect the market price of the SVS, and PODA's current and future operations or relationships with customers, suppliers and employees.

The Asset Purchase Agreement contains restrictive covenants

Pursuant to the terms of the Asset Purchase Agreement, if the Sale Transaction is completed PODA will be subject to certain restrictive covenants which may potentially impair the discretion of management with respect to certain business matters. These covenants place restrictions on, among other things, the ability of the Company to compete with Altria in the business currently carried on by the Company.

The PODA Board may decide not to proceed with the Sale Transaction

Notwithstanding the Shareholders approving the Sale Resolution, the PODA Board will retain the discretion not to proceed with any of the transactions contemplated by the Sale Resolution, if it determines that such Sale Transaction is no longer in the best interests of the Company. If the PODA Board does not proceed with such transactions, the Capital Distribution will not be made and no Dividends will be paid.

The right to match may discourage other parties from attempting to acquire the Company.

Under the Asset Purchase Agreement, as a condition to entering into a definitive agreement in respect of a Superior Proposal, the Company is required to offer Altria the right to match such Superior Proposal. This right may discourage other parties from making a Superior Proposal, even if they would otherwise have been willing to acquire the Company Technology on more favourable terms than Altria.

No solicitation of other potential purchasers of the Company may reduce the likelihood of other parties attempting to acquire the Company.

Upon executing the Indication of Interest, the Company negotiated exclusively with Altria and ceased soliciting expressions of interest from other potential buyers. The Special Committee and the PODA Board concluded, after receiving advice from their financial and legal advisors, that the risks of soliciting expressions of interest from other potential buyers outweighed the benefits of doing so, particularly having regard to the financial and other terms of the Asset Purchase Agreement. However, there can be no assurance that, if the Company had solicited expressions of

interest from other potential buyers, that one or more of such potential buyers would not have been willing to acquire the Company Purchased Assets on more favourable terms than Altria.

The Sale Transaction may divert the attention of management

The pendency of the Sale Transaction could cause the attention of PODA's management to be diverted from day-to-day operations. These disruptions could be exacerbated by a delay in the completion of the Sale Transaction and could have an adverse effect on the business, operating results or prospects of the Company regardless of whether the Sale Transaction is ultimately completed.

PODA Shareholders will no longer have the opportunity to participate in the prospects of the Company Technology

If the Sale Transaction is completed, PODA will no longer participate in the future development of, or benefit from, the Company Technology. As a result, the Sale Transaction will eliminate the opportunity of Shareholders to participate in the long term potential benefits of the Company Technology, to the extent, if any, those benefits exceed the potential benefits reflected in the Company Purchase Price.

PODA will no longer have a business and there is no guarantee it will be successful in identifying new opportunities

The Company Purchased Assets constitute PODA's primary assets and source of business and if the Closing takes place, there is no guarantee the Company will be successful in identifying new business opportunities, or if it does, that such opportunities as it may identify and participate in will be profitable.

Interests of Directors and Officers

In considering the recommendation of the PODA Board to vote for of the Sale Resolution, Shareholders should be aware that certain officers and directors have certain interests in connection with the Sale Transaction that differ from, or are in addition to, those of Shareholders generally and may present them with actual or potential conflicts of interest in connection with the Sale Transaction. See "*Sale of All or Substantially All of the Company's Assets – Interests of Certain Persons in the Sale Transaction*" and "*Interest of Certain Persons in Matters to be Acted Upon*".

The consideration to be received by Shareholders may be affected by foreign currency exchange rates.

The Company Purchase Price is to be paid in U.S. dollars, whereas the Distribution will be paid in Canadian dollars. The risk of any fluctuations in such rate of exchange for U.S. to Canadian dollars, including risks relating to the particular date and time at which funds are converted, will be solely borne by the Shareholders. If the value of the Canadian dollar relative to the U.S. dollar appreciates as compared to such relative value on the Announcement Date, the amount to be received by Shareholders pursuant to the Distribution will be less than it would have been on the Announcement Date.

Risks Following Completion of the Sale Transaction

The Company will have discretion in the use of certain of the net proceeds of the Sale Transaction

The Company will have discretion over the use of certain of the net proceeds from the Sale Transaction. Because of the number and variability of factors that will determine the Company's use of such proceeds, the Company's ultimate use might vary from its planned use of such proceeds. Shareholders may not agree with how the Company determines to allocate or spend the proceeds from the Sale Transaction.

PODA will continue to incur the expense of complying with public company reporting requirements following closing of the Sale Transaction

Following completion of the Sale Transaction, notwithstanding that PODA will not have an active business, it will continue to be required to comply with applicable reporting requirements in the Provinces of British Columbia,

Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. Compliance with such reporting requirements is economically burdensome.

Risks Relating to the Capital Distribution and Dividends

Distribution Risks

The Distribution proposed to be made by the Company to the Shareholders by way of the Capital Distribution and the Dividend(s), if any, are subject to a number of risks, including, without limitation:

- the timing, amount or nature of the Distribution to Shareholders cannot be predicted with certainty;
- the Company's estimate of the amount available for Distribution is based on a number of assumptions, including the Company's expectations regarding liabilities, taxes and transaction fees as well as administrative and professional costs, and these assumptions may prove to be incorrect;
- fluctuations in the exchange rate between the U.S. and the Canadian dollar may affect the amounts which are received by the Company and available for the Distribution; and
- the PODA Board may determine not to proceed with the Capital Distribution or the Dividends.

Capital Distribution and Dividends

Some of the principal uncertainties relating to the proposed Capital Distribution and Dividends relate to the quantum of the net sale proceeds in connection with the Sale Transaction. In addition, ongoing corporate costs of the Company will reduce the amount available for the Distribution to Shareholders and, in the event the completion of the Sale Transaction is delayed beyond its anticipated date, these costs will continue to be incurred. In addition, the Company will remain a reporting issuer and will incur the attendant costs in connection therewith. Accordingly, the amount of cash available for the Distribution to the Shareholders following Closing cannot currently be quantified with certainty.

While management of the Company expects that the Capital Distribution should not exceed the paid-up capital of the respective classes of PODA Shares, if this expectation is not correct, any resulting excess would be treated as a taxable dividend. The Dividends will be treated as a taxable dividend. As the MVS have a lower amount of paid-up capital per share (on an as-converted to SVS basis) than the SVS, a higher proportion of the Distribution received by MVS Shareholders will be treated as a taxable dividend than such proportion of the Distribution received by the SVS Shareholders. See "*Certain Canadian Federal Income Tax Considerations*".

RESTRICTED SECURITIES

Pursuant to NI 51-102, the Company is required to disclose the extent of any rights provided in the Company's constating documents or otherwise for the protection of holders of "restricted securities" (as such term is defined in NI 51-102). The authorized share structure of the Company consists of an unlimited number of SVS and an unlimited number of MVS. As of the date of this Circular, the Company had: (i) 104,356,679 SVS outstanding, representing approximately 68.08% of the votes attaching to the PODA Shares; and (ii) 48,936.545 MVS outstanding, representing approximately 31.92% of the votes attaching to the PODA Shares. As of the date of this Circular, the SVS constitute restricted securities.

In accordance with the Articles, SVS Shareholders shall be entitled to notice of and to attend at any meeting of the Shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company shall have the right to vote. At each such meeting holders of SVS Shareholders shall be entitled to one vote in respect of each SVS held. The MVS Shareholders will be entitled to receive notice of, attend and vote at all meetings of Shareholders, except meetings at which only holders of a specified class of shares are entitled to vote. At each such meeting in which MVS Shareholders are entitled to vote, MVS Shareholders will be entitled to one vote in respect of each SVS into which such MVS could then be converted at the Conversion Ratio, being 1,000 SVS for each MVS as of this date of this Circular, subject to adjustments for certain customary corporate changes.

Each class of PODA Shares shall become convertible, at the option of the holder, into the other class of PODA Shares in the event that an offer is made to purchase such other class of PODA Shares, and is one which is required to be made to all or substantially all of the holders of such other class of PODA Shares in a province or territory of Canada to which the requirement applies under applicable securities legislation or stock exchange rules (the "**Offer Conversion Right**"). In the case of the Offer Conversion Right applying to the conversion of MVS into SVS, the conversion in such case shall be at the Conversion Ratio then in effect, and, in the case of the Offer Conversion Right applying to the conversion of SVS into MVS, the conversion in such case shall be at the inverse of the Conversion Ratio then in effect. The foregoing Offer Conversion Right may only be exercised in respect of SVS for the purpose of depositing the resulting MVS or SVS, as applicable, under the offer, and for no other reason.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of the principal Canadian federal income tax considerations generally applicable to a Shareholder who receives a Distribution, and who, for the purposes of the Tax Act and at all relevant times, deals at arm's length with the Company, is not affiliated with the Company and holds its PODA Shares as capital property (a "**Holder**"). Such PODA Shares will generally constitute capital property to a Holder unless those PODA Shares are held in the course of carrying on a business of trading or dealing in securities or have been acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade for purposes of the Tax Act. Certain Resident Holders (as defined below) for whom PODA Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have those PODA Shares, and any other "Canadian securities" (as defined in the Tax Act) owned by that Resident Holder in the taxation year in which the election is made and all subsequent taxation years, be deemed to be capital property.

This summary is based on the current provisions of the Tax Act, the current published administrative policies and assessing practices of the CRA, and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted as proposed. No assurance can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in the law whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ significantly from those discussed herein.

This summary does not apply to a Holder (i) that is a "financial institution" for purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a "specified financial institution" or "restricted financial institution", (iii) an interest in which is or would be a "tax shelter investment", (iv) that has made a "functional currency" election under section 261 of the Tax Act, (v) that has entered or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" with respect to PODA Shares, (vi) that receives dividends on PODA Shares under or as part of a "dividend rental arrangement", or (vii) that is exempt from tax under the Tax Act. Such Holders should consult their own tax advisors with respect to the tax consequences of receiving a Distribution.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances.

Residents of Canada

The following portion of the summary applies to Holders who, at all relevant times, are, or are deemed to be, resident in Canada for purposes of the Tax Act (a "**Resident Holder**").

Capital Distributions

Generally, where a "public corporation", as defined in the Tax Act, reduces the paid-up capital in respect of a class of its shares, the amount distributed to its shareholders on such reduction is deemed to be a dividend. However, except to the extent that the amount of the distribution exceeds the paid-up capital of the relevant class of shares of the corporation, the amount distributed may be treated as a tax-free return of capital to the shareholder (subject to the

comments below concerning the reduction of the adjusted cost base of the shares) and not as a deemed dividend where: (i) the distribution is made on the winding-up, discontinuance or reorganization of the corporation's business; or (ii) the return of capital can reasonably be considered to have been derived from proceeds of disposition realized by the distributing corporation (or a person or partnership in which such corporation had a direct or indirect interest at the time that the proceeds were realized) from a transaction that occurred outside the ordinary course within the period that commenced 24 months before the return of capital, and no other amount that may reasonably be considered to have derived from such proceeds was paid by the corporation as a reduction of paid-up capital prior to the return of capital. The Company is of the view that either or both of these exceptions should apply to any Capital Distribution.

The amount of Capital Distribution that the Shareholders are being asked to approve at the Meeting for each class of PODA Shares is to be equal to, and not greater than, the amount of the paid-up capital of each class of the PODA Shares on the date of the Capital Distribution. Accordingly, if either of the above exceptions applies on the date of a Capital Distribution, the entire amount of the Capital Distribution should be treated as a tax-free return of capital (subject to the comments below concerning the reduction of the adjusted cost base of the shares) and no portion thereof should be treated as a deemed dividend.

No income tax ruling or opinion has been sought or obtained to the effect that any Capital Distribution will be treated as a tax-free return of capital and not as a deemed dividend on the basis of the above exceptions, and Resident Holders should consult their own tax advisors in this regard.

Dividends and Deemed Dividends

The amount of any Dividends received by a Resident Holder will be included in computing the income of the Resident Holder for purposes of the Tax Act. Also, to the extent that any portion of a Capital Distribution is treated as a deemed dividend, the amount of the deemed dividend will be included in computing the income of the Resident Holder for purposes of the Tax Act. If the Resident Holder is an individual (including certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable to "taxable dividends" paid by "taxable Canadian corporations", including an enhanced gross-up and dividend tax credit for "eligible dividends" (as defined in the Tax Act) designated by the Company in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as "eligible dividends".

A dividend or deemed dividend received by a Resident Holder that is a corporation will normally be deductible in computing its taxable income. A Resident Holder that is a "private corporation" (as defined in the Tax Act), or a corporation controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts), will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends or deemed dividends received to the extent that such dividends are deductible in computing taxable income. In the case of a Resident Holder that is a corporation, it is possible that in certain circumstances all or part of the amount of the dividend or deemed dividend will be treated as a capital gain and not as a dividend, except to the extent that the Resident Holder was subject to Part IV tax in respect of such dividend. Resident Holders that are corporations should consult their own tax advisors having regard to this circumstance.

Capital Gains

The adjusted cost base of each PODA Share to a Resident Holder will be reduced by an amount equal to the amount per PODA Share received in connection with any Capital Distribution received as a return of capital. If the amount per PODA Share received on any such Capital Distribution exceeds the adjusted cost base of such share, a Resident Holder will realize a capital gain equal to such excess. For a description of the treatment of capital gains, see "*Residents of Canada– Taxation of Capital Gains and Capital Losses*" below.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year must be included in the Resident Holder's income for the year, and one-half of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that

year may generally be carried back and deducted in any of the three preceding taxation years, or carried forward and deducted in any subsequent taxation year, against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

In the case of a Resident Holder that is a corporation, the amount of any capital loss realized on a disposition or deemed disposition by the Resident Holder of a PODA Share may be reduced by the amount of dividends received or deemed to be received by it on such share (and, in certain circumstances, a share exchanged for such share), to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a trust or partnership of which a corporation is a beneficiary or a member is a member of a partnership or a beneficiary of a trust that owns any such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act), including any taxable capital gains. The Proposed Amendments announced by the Minister of Finance on April 7, 2022 are intended to extend the additional tax and refund mechanism in respect of "aggregate investment income" to "substantive CCPCs". The legislation for such Proposed Amendments has yet to be released. Holders are advised to consult their personal tax advisors.

Alternative Minimum Tax

The Tax Act provides for a minimum tax applicable to individuals (including certain trusts) resident in Canada, which is computed by reference to an adjusted taxable income amount under which certain items are not deductible or exempt. Capital gains realized and taxable dividends received by an individual will be relevant in computing liability for minimum tax.

Dissenting Shareholders

A Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its PODA Shares by the Company will be deemed to have received a dividend equal to the amount, if any, by which the payment received (other than that portion that is in respect of interest, if any, awarded by the Court) exceeds the paid-up capital (determined for purposes of the Tax Act) attributable to such PODA Shares immediately before their surrender to the Company. The tax consequences described above under the heading "*Residents of Canada - Dividends and Deemed Dividends*" will generally apply with respect to such deemed dividend.

In addition, the Resident Holder will be considered to have disposed of such PODA Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court), less the amount of the deemed dividend arising on the surrender of such shares described above. The Resident Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to such holder of the PODA Shares immediately before their surrender to the Company. Any such capital gain will be subject to the same tax treatment as described above under the heading "*Resident Shareholders - Taxation of Capital Gains and Capital Losses*".

Interest, if any, awarded by the Court to a Resident Holder who is a Dissenting Shareholder will be included in the Resident Holder's income for the purposes of the Tax Act. In addition, a Resident Holder who is a Dissenting Shareholder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable for an additional tax (refundable in certain circumstances) in respect of such interest.

Dissenting Shareholders should consult their own tax advisors with respect to the tax implications to them of the exercise of their Dissent Rights.

Non-Residents of Canada

The following portion of the summary is applicable to Shareholders who, for the purposes of the Tax Act and any applicable income tax convention or treaty, and at all relevant times, are not, and are not deemed to be, resident in Canada and are not deemed to use or hold their PODA Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules not discussed in this summary may apply to (i) a non-resident insurer carrying on an insurance business in Canada and elsewhere, or (ii) an "authorized foreign bank" (as defined in the Tax Act). Such Shareholders should consult their own tax advisors.

Capital Distributions

The tax consequences of a Capital Distribution to a Non-Resident Holder will be generally the same as described above with respect to Resident Holders. No Canadian non-resident withholding tax will apply to such Capital Distribution if the Capital Distribution is treated as a tax-free return of capital, as described above. However, if any portion of the Capital Distribution is treated as a deemed dividend, as described above under the heading "*Residents of Canada - Dividends and Deemed Dividends*", Canadian withholding tax at a rate of 25% will apply, subject to reduction under the provisions of an applicable income tax treaty or convention between Canada and the Non-Resident Holder's country of residence. The tax treatment of dividends is discussed in greater detail below under the heading "*Non-Residents of Canada - Dividends and Deemed Dividends*".

Dividends and Deemed Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless such rate is reduced by the terms of an applicable income tax treaty or convention. For example, under the Canada-United States Tax Convention (1980), as amended (the "**Treaty**"), the rate of withholding tax on dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder who is resident in the United States for purposes of the Treaty, is the beneficial holder of the dividend, and is fully entitled to benefits under the Treaty (a "**U.S. Holder**") is generally reduced to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company's voting shares).

Capital Gains

A Non-Resident Holder who realizes a capital gain as a result of a Capital Distribution to the Non-Resident Holder exceeding the adjusted cost base of such Non-Resident Holder's PODA Shares, as described above with respect to Resident Holders, will not be subject to Canadian income tax under the Tax Act in respect of such gain provided the PODA Shares are not "taxable Canadian property" to such Non-Resident Holder. The PODA Shares generally will not be taxable Canadian property if: such shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE) unless, at any time during the 60 month period immediately preceding the Capital Distribution, the following two conditions are met concurrently: (a) one or any combination of the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length, and partnerships in which the Non-Resident Holder or such non-arm's length persons holds a membership interest (either directly or indirectly through one or more partnerships), owned 25% or more of the issued shares of any class or series of shares of the capital stock of the Company; and (b) more than 50% of the fair market value of the PODA Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property, whether or not such property exists.

Notwithstanding the above, a PODA Share may be deemed under the Tax Act to be "taxable Canadian property" of a particular Non-Resident Holder where the Non-Resident Holder acquired or held the share in certain circumstances, including acquiring the share in consideration for the disposition of other taxable Canadian property. Non-Resident Holders for whom a PODA Share may be taxable Canadian property should consult their own tax advisors.

In the event that the PODA Shares constitute "taxable Canadian property" of a particular Non-Resident Holder, the consequences under the Tax Act of realizing a capital gain will generally be the same as those for Resident Holders

described above. Non-Resident Holders should consult their own tax advisors as to the availability of relief from Canadian tax under an applicable income tax treaty or convention between Canada and the Non-Resident Holder's country of residence.

Dissenting Shareholders

A Non-Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its PODA Shares by the Company will be deemed to have received a dividend equal to the amount, if any, by which the payment received (other than that portion that is in respect of interest, if any, awarded by the Court) exceeds the paid-up capital (determined for purposes of the Tax Act) attributable to such PODA Shares immediately before their surrender to the Company. The tax consequences described above under the heading "*Non-Residents of Canada - Dividends and Deemed Dividends*" will generally apply with respect to such deemed dividend.

A Non-Resident Holder that is a Dissenting Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of its PODA Shares unless such PODA Shares are "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. See the discussion above under the heading "*Non-Resident Shareholders - Capital Gains*".

Interest, if any, awarded by the Court to a Non-Resident Holder who is a Dissenting Shareholder will not be subject to Canadian withholding tax.

Dissenting Shareholders should consult their own tax advisors with respect to the tax implications to them of the exercise of their Dissent Rights.

DIVIDEND POLICY

No dividends on the PODA Shares have been paid to date. Except for the Dividends as set out under "*Capital Reductions and Return of Capital*", PODA does not anticipate paying any other dividends on the PODA Shares in the foreseeable future. Payment of all future dividends, including the Dividends, will be at the discretion of the PODA Board after taking into account many factors, including PODA's financial condition and anticipated cash needs. See "*Capital Reductions and Return of Capital*".

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except insofar as they may be Shareholders of the Company or as otherwise disclosed below or elsewhere in this Circular (in particular, but without limitation, under "*Sale of All or Substantially All of the Company's Assets - Interests of Certain Persons in the Sale Transaction" and "Interest of Informed Persons in Material* Transactions"), management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year or of any associate or affiliate of any such Persons, in any matter to be acted upon at the Meeting.

As of the date of this Circular, the directors and executive officers of PODA beneficially owned, or exercised control or direction, directly or indirectly, over: (i) approximately 3,606,749 SVS, representing in the aggregate approximately 3.46% of all issued and outstanding SVS; and (ii) 94.174 MVS representing in the aggregate approximately 0.19% of all issued and outstanding MVS. On an aggregate basis, the directors and executive officers of PODA beneficially owned, or exercised control or direction, directly or indirectly, approximately 2.41% of the voting rights attached to the issued and outstanding PODA Shares. All of the PODA Shares held by such directors and executive officers of PODA will be treated in the same fashion with respect to any Distribution as PODA Shares held by all other Shareholders.

Ryan Selby, the Chief Executive Officer and a director of PODA, and Ryan Karkairan, the VP Design and a director of PODA, are together the co-founders of PODA. Messrs. Selby and Karkairan are party to the Asset Purchase Agreement, as the Owners of the Owner Purchased Assets and are selling their interest in the Owner Purchased Assets to Altria. In addition, Messrs. Selby and Karkairan are the licensors of the patents comprised in the Company

Technology under the A&R Royalties Agreement. In accordance with the Asset Purchase Agreement, it is anticipated that the Owners will receive the Owner Purchase Price from Altria as consideration for the Owner Purchased Assets.

Given the interest of each of Mr. Selby and Mr. Karkairan in the Asset Purchase Agreement as Owners of the Owner Purchased Assets and the receipt of proceeds of the sale to Altria contemplated thereunder, each of them have abstained from voting on the approval of the Sale Transaction and the entry into the Asset Purchase Agreement in their respective capacities of members of the PODA Board.

Messrs. Selby and Karkairan have economic interests in the Sale Transaction. The value of the Owner Purchase Price to be received by the Owners relative to the Company Purchase Price to be received by the Company, in each case from Altria under the Asset Purchase Agreement, has been considered by the Special Committee.

Each of the Owners is employed by the Company in accordance with the terms of their Employment Agreement. In addition, the Company is party to Management Services Agreement with various Persons, including Paul Ciullo, the Company's Chief Financial Officer. The Employment Agreements and Management Services Agreements each contain change of control provisions and, pursuant thereto, a "change of control" thereunder is deemed to include the occurrence of the sale of all or substantially all of the assets of the Company. Accordingly, the completion of the Sale Transaction would trigger the change of control provisions in each such Employment Agreement and Management Services Agreement. The Employment Agreements and Management Services Agreements each provide that, within 60 days following a change of control of the Company, either party has the right to terminate the applicable agreement and, if an Employment Agreement or Management Services Agreement is terminated or deemed to be terminated due to a change of control, the Company will become obligated to pay the Owners or managers, as applicable, certain Change of Control Amounts. The Change of Control Amounts are estimated to be an aggregate of approximately CDN$3,371,847, assuming termination of such Employment Agreements and Management Services Agreement upon completion of the Sale Transaction.

High Standard provides certain management consulting and financial advisory services to the Company under the High Standard Agreement. Under the High Standard Agreement, in the event the Company divests of an asset, High Standard is entitled to a success fee equal to 3% of the value of the transaction as consideration for its time and services spent assisting in the due diligence. Accordingly, High Standard will be entitled to the High Standard Fee on Closing.

See "*Sale of All or Substantially All of the Company's Assets – Interests of Certain Persons in the Sale Transaction*".

INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of PODA's directors, executive officers or employees, or former directors, executive officers or employees, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended February 28, 2021, indebted to PODA or any Subsidiary in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of PODA or any of the Subsidiaries of PODA.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, no informed person of PODA, or any associate or affiliate of any informed person of PODA has any material interest, direct or indirect, in any transaction within PODA's three most recently completed financial years or in any proposed transaction which has materially affected or would materially affect PODA. An "informed person" means (i) a director or executive officer of a reporting issuer; (ii) a director or executive officer of a Person or company that is itself an informed person or subsidiary of a reporting issuer; any Person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of the reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer; and (iii) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

See "*Sale of All or Substantially All of the Company's Assets – Interests of Certain Persons in the Sale Transaction*".

AUDITORS

The auditor of the Company is Manning Elliot LLP, Chartered Professional Accountants.

ADDITIONAL INFORMATION

The Company files annual financial statements, interim reports, information circulars and other information and continuous disclosure documents with the Canadian Securities Regulators under applicable Canadian Securities Laws under its profile at www.sedar.com. You can also review certain of the Company's filings on its website at www.poda-holdings.com. Information included on the Company's website is not, and will not be deemed to be, a part of this Circular or incorporated into this or any other filing on SEDAR.

Remaining Business

Upon completion of the Sale Transaction, the Company will no longer have any material property or assets other than the cash proceeds of the Sale Transaction, which the Company expects to utilize in the manner described above. See "*Distribution of Proceeds of Sale Transaction – Anticipated Distribution*".

If the Sale Transaction closes, the Company anticipates making the Capital Distribution in the SVS Capital Distribution Amount and the MVS Capital Distribution Amount to be determined by the PODA Board by way of a return of capital and corresponding SVS Capital Reduction and MVS Capital Reduction, returning all of the paid-up capital to each class of shares, pro rata according to the holdings in each class. The remaining cash held by the Company, after taking into consideration all closing costs related to the Sale Transaction, tax and any other fees, will be reviewed by the PODA Board in the anticipation of paying one or more Dividends to all SVS Shareholders and MVS Shareholders, with the exception of cash the PODA Board deems appropriate to leave in the Company after the payment of such Dividends. All cash that remains in the Company after the Capital Distribution and Dividend payment(s) to Shareholders will be used for working capital purposes. See "*Capital Reductions and Return of Capital*".

If the Closing takes place, it is anticipated that: (i) Ryan Selby and Ryan Karkairan will resign from the PODA Board within 60 days of the Closing Date; (ii) Aaron Bowden and Patrick Gray will remain on the PODA Board; (iii) Mr. Bowden and Mr. Gray will appoint a third member to the PODA Board; and (iv) Mr. Gray will serve as the Chief Executive Officer of the Company, and will likely be the only employee of the Company until a new Chief Executive Officer is identified.

Additional Information

Additional information relating to the Company is posted for public access under its profile at www.sedar.com. Shareholders may contact the Company at 101-334 East Kent Avenue South, Vancouver, BC, V5X 4N6, or 1-833-TRY-PODA (1-833-879-7632) to request copies of the Company's financial statements and management's discussion and analysis without charge. Financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for its financial year ended February 28, 2021 and the three and nine month period ended November 30, 2021, which are posted for public access under the Company's profile at www.sedar.com.

You should rely only on the information contained in this Circular, including the appendices attached hereto, to vote your PODA Shares at the Meeting. The Company has not authorized anyone to provide you with information that differs from that contained in this Circular. This Circular is dated May 17, 2022. You should not assume that the information contained in this Circular is accurate as of any date other than such date, and the mailing of this Circular to Shareholders shall not create any implication to the contrary.

INFORMATION CONCERNING ALTRIA

Altria Group, Inc. ("**Altria Group**") (NYSE: MO) has a leading portfolio of tobacco products for U.S. tobacco consumers age 21+. Altria Group's Vision by 2030 is to responsibly lead the transition of adult smokers to a smoke-free future (Vision). Altria Group is Moving Beyond Smoking™, leading the way in moving adult smokers away from

cigarettes by taking action to transition millions to potentially less harmful choices - believing it is a substantial opportunity for adult tobacco consumers, Altria Group's businesses and society.

Altria Group's wholly owned subsidiaries include leading manufacturers of both combustible and smoke-free products. In combustibles, Altria owns Philip Morris USA Inc., the most profitable U.S. cigarette manufacturer, and John Middleton Co., a leading U.S. cigar manufacturer. Altria's smoke-free portfolio includes ownership of U.S. Smokeless Tobacco Company LLC, the leading global moist smokeless tobacco manufacturer, and Helix Innovations LLC, a rapidly growing manufacturer of oral nicotine pouches. Altria Group also enhances its smoke-free product portfolio with exclusive U.S. commercialization rights to the IQOS Tobacco Heating System® and Marlboro HeatSticks®, and an equity investment in JUUL Labs, Inc.

Altria Group also owns equity investments in Anheuser-Busch InBev SA/NV, the world's largest brewer, and Cronos Group Inc., a leading Canadian cannabinoid company.

The brand portfolios of Altria Group's tobacco operating companies include Marlboro®, Black & Mild®, Copenhagen®, Skoal® and on!®. Trademarks and service marks related to Altria Group referenced in this Circular are the property of Altria Group or its subsidiaries or are used with permission.

Shareholders can learn more about Altria Group at www.altria.com and follow Altria Group on Twitter, Facebook and LinkedIn.

EXPERTS

Stifel GMP is named as having prepared or certified a report, statement or opinion in this Circular, specifically the Fairness Opinion. See "*Sale of All or Substantially All of the Company's Assets – Fairness Opinion*". Except for the fees to be paid to Stifel GMP, to the knowledge of PODA, neither Stifel GMP nor its directors, officers, employees and partners, as applicable, or their respective associates or affiliates, beneficially owns, directly or indirectly, 1% or more of the securities of PODA or any of its associates or affiliates, has received or will receive any direct or indirect interests in the property of PODA or any of its associates or affiliates, or is expected to be elected, appointed or employed as a director, officer or employee of PODA or any associate or affiliate thereof.

OTHER BUSINESS

As of the date of this Circular, management of the Company is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the Persons named in the form of proxy to vote the PODA Shares represented thereby in accordance with their best judgment on such matter.

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Circular or require assistance in completing your Proxy, please contact Ryan Selby, CEO and director, by phone at +1(406)879-7632, or by email at info@poda-holdings.com.

APPROVAL OF THE PODA BOARD

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the PODA Board.

DATED at Vancouver, British Columbia this 17th day of May, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

"*Ryan Selby*"
Ryan Selby
CEO and director
Poda Holdings, Inc.

CONSENT OF STIFEL NICOLAUS CANADA INC.

To: The Board of Directors and the Special Committee of Poda Holdings, Inc.

We refer to the fairness opinion dated May 12, 2022 (the "**Fairness Opinion**") which we prepared for the Special Committee of the Board of Directors of Poda Holdings, Inc. ("**PODA**") in connection with the proposed sale of certain assets of PODA (the "**Transaction**") to Altria Client Services LLC ("**Altria**") in accordance with the Asset Purchase Agreement among PODA, Ryan Selby, Ryan Karkairan and Altria dated May 13, 2022.

We consent to the filing of the Fairness Opinion with applicable securities regulatory authorities; the inclusion of a summary of the Fairness Opinion in the management information circular with respect to the special meeting of shareholders of PODA to be held to approve, among other things, the Transaction (the "**Circular**"); the inclusion of the Fairness Opinion as an Appendix to the Circular; to being named in the Circular; and the inclusion of all other references to the Fairness Opinion in the Circular. Our opinion was given as at May 12, 2022 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Special Committee of the Board of Directors of PODA shall be entitled to rely upon our opinion.

Stifel Nicolaus Canada Inc.

STIFEL, NICOLAUS CANADA INC.
Toronto, Ontario May 17, 2022

APPENDIX "A"
SALE RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the sale by PODA Holdings, Inc. (the "**Company**") of its right and interest in the exclusive perpetual license held by the Company, as licensee, in connection with pod-based consumable and device technology (which may be a sale of substantially all of the undertaking of the Company) (the "**Sale Transaction**"), pursuant to the terms of the asset purchase agreement among the Company, Altria Client Services LLC, Ryan Selby and Ryan Karkairan dated May 13, 2022 (as may be subsequently amended, supplemented or otherwise modified, the "**Asset Purchase Agreement**"), as more particularly described and set forth in the management information circular of the Company dated May 17, 2022, is hereby authorized, approved and adopted.

2. The (i) Asset Purchase Agreement and all the transactions contemplated therein, (ii) actions of the directors of the Company in approving the Asset Purchase Agreement and (iii) actions of the directors and officers of the Company in executing and delivering the Asset Purchase Agreement, and any amendments, modifications or supplements thereto, and causing the performance by the Company of its obligations thereunder, are hereby ratified and approved.

3. Notwithstanding that these resolutions have been passed and adopted (and the Sale Transaction approved) by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to, at their discretion, without notice to or approval of the shareholders of the Company: (i) amend, modify or supplement the Asset Purchase Agreement to the extent permitted by the Asset Purchase Agreement or to the extent necessary to give effect to the transactions contemplated therein; and (ii) subject to the terms of the Asset Purchase Agreement, not to proceed with the Sale Transaction and related transactions.

4. Any one officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing."

APPENDIX "B"
SVS AMENDMENT RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF SUBORDINATE VOTING SHARES THAT:**

1. the Articles of Poda Holdings, Inc. (the "**Company**") be and are hereby altered to add to the special rights and restrictions attached to the Subordinate Voting Shares of the Company the special rights and restrictions described in new Article 27.8 set forth in Appendix 1 to this special resolution (the "**SVS Articles Amendment**"), which new Article 27.8 is hereby added to the Company's Articles.

2. Notwithstanding the approval of this special resolution by the holders of Subordinate Voting Shares (the "**SVS Shareholders**"), the Board of Directors of the Company may, without any further notice or approval of the SVS Shareholders, decide not to proceed with the SVS Articles Amendment.

3. Any one or more of the directors or officers of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolutions (including, without limitation, the execution and filing of such notice of alteration, amended and restated articles, applications and certificates or assurances that the SVS Articles Amendment will not adversely affect creditors or shareholders of the Company, as well as any variation or amendment to the proposed new Article 27.8 deemed advisable upon advice of counsel), and the execution of any such document or the doing of any such other act or thing by any director or officer of the Company shall be conclusive evidence of such determination."

APPENDIX "1" TO APPENDIX "B"

Article 27.8 Dividends and Capital Distributions

Notwithstanding Articles 27.3, 28.4 and 28.5, the directors may:

a) declare or pay dividends on the Subordinate Voting shares without simultaneously declaring or paying equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting shares in accordance with Article 27.3;

b) declare or pay dividends on the Multiple Voting Shares without simultaneously declaring or paying equivalent dividends (on an as-converted to Subordinate Voting share basis) on the Subordinate Voting Shares in accordance with Article 28.4; and/or

c) reduce or return the capital of the Company without providing for participation of the holders of Multiple Voting Shares rateably along with all other holders of Multiple Voting shares (on an as-converted to Subordinate Voting share basis) and Subordinate Voting Shares in accordance with Article 28.5;

in each case if, and only if:

d) dividends are paid on the Subordinate Voting shares and the Multiple Voting shares simultaneously;

e) the capital of the Subordinate Voting shares and the Multiple Voting shares are each reduced, and returned to the holders of Subordinate Voting shares and Multiple Voting shares in connection with payment of the dividends referred to in clause d) immediately above; and

f) the aggregate amounts of the dividend and the return of capital on the Subordinate Voting shares and the Multiple Voting shares (on an as-converted to Subordinate Voting shares basis) are equal on a per-share basis.

APPENDIX "C"
MVS AMENDMENT RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF MULTIPLE VOTING SHARES THAT**:

1. the Articles of Poda Holdings, Inc. (the "**Company**") be and are hereby altered to add to the special rights and restrictions attached to the Multiple Voting Shares of the Company the special rights and restrictions described in new Article 27.8 set forth in Appendix 1 to this special resolution (the "**MVS Articles Amendment**"), which new Article 27.8 is hereby added to the Company's Articles.

2. Notwithstanding the approval of this special resolution by the holders of Multiple Voting Shares (the "**MVS Shareholders**"), the Board of Directors of the Company may, without any further notice or approval of the MVS Shareholders, decide not to proceed with the MVS Articles Amendment.

3. Any one or more of the directors or officers of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolutions (including, without limitation, the execution and filing of such notice of alteration, amended and restated articles, applications and certificates or assurances that the MVS Articles Amendment will not adversely affect creditors or shareholders of the Company, as well as any variation or amendment to the proposed new Article 27.8 deemed advisable upon advice of counsel), and the execution of any such document or the doing of any such other act or thing by any director or officer of the Company shall be conclusive evidence of such determination."

APPENDIX "1" TO APPENDIX "C"

Article 27.8 Dividends and Capital Distributions

Notwithstanding Articles 27.3, 28.4 and 28.5, the directors may:

a) declare or pay dividends on the Subordinate Voting shares without simultaneously declaring or paying equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting shares in accordance with Article 27.3;

b) declare or pay dividends on the Multiple Voting Shares without simultaneously declaring or paying equivalent dividends (on an as-converted to Subordinate Voting share basis) on the Subordinate Voting Shares in accordance with Article 28.4; and/or

c) reduce or return the capital of the Company without providing for participation of the holders of Multiple Voting Shares rateably along with all other holders of Multiple Voting shares (on an as-converted to Subordinate Voting share basis) and Subordinate Voting Shares in accordance with Article 28.5;

in each case if, and only if:

d) dividends are paid on the Subordinate Voting shares and the Multiple Voting shares simultaneously;

e) the capital of the Subordinate Voting shares and the Multiple Voting shares are each reduced, and returned to the holders of Subordinate Voting shares and Multiple Voting shares in connection with payment of the dividends referred to in clause d) immediately above; and

f) the aggregate amounts of the dividend and the return of capital on the Subordinate Voting shares and the Multiple Voting shares (on an as-converted to Subordinate Voting shares basis) are equal on a per-share basis.

APPENDIX "D"
SVS CAPITAL REDUCTION RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF SUBORDINATE VOTING SHARES THAT**:

1. subject to the consummation of transactions contemplated by the asset purchase agreement among Poda Holdings, Inc. (the "**Company**"), Altria Client Services LLC, Ryan Selby and Ryan Karkairan dated May 13, 2022 (as may be subsequently amended, supplemented or otherwise modified, the "**Asset Purchase Agreement**"), as more particularly described and set forth in the management information circular of the Company dated May 17, 2022, and to section 74 of the Business Corporations Act (British Columbia), the Company be and is hereby authorized to make a distribution to the holders of subordinate voting shares (the "**SVS**") of the Company (the "**SVS Distribution**") as a return of capital of all or a portion of the net proceeds received by the Company pursuant to the Asset Purchase Agreement, in such amount and at such time as may be determined at the discretion of the board of directors of the Company.

2. In respect of the SVS Distribution, the Company is hereby authorized to reduce the capital of the SVS upon making the SVS Distribution, by an amount equal to the lesser of (a) the aggregate amount of the SVS Distribution, and (b) the capital of the SVS immediately prior to the SVS Distribution.

3. Notwithstanding the approval of this special resolution by the holders of SVS, the directors of the Company are hereby authorized and empowered, at their discretion, without any further notice to or approval of the holders of SVS, to not proceed with any or all of the transactions contemplated hereby.

4. Any director or officer of the Company be and is hereby authorized to execute and deliver all agreements, documents, instruments and writings, for, in the name and on behalf of the Company (whether under its corporate seal or otherwise), to pay all such expenses and to take all such other actions as in the sole discretion of such director or officer are necessary or desirable in order to fully carry out the intent and accomplish the purpose of these resolutions upon such terms and conditions as may be approved from time to time by the board of directors of the Company, such approval to be conclusively evidenced by the signing of such agreements, documents, instruments and writings by such director or officer."

APPENDIX "E"
MVS CAPITAL REDUCTION RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF MULTIPLE VOTING SHARES THAT**:

1. subject to the consummation of transactions contemplated by the asset purchase agreement among Poda Holdings, Inc., (the "**Company**"), Altria Client Services LLC, Ryan Selby and Ryan Karkairan dated May 13, 2022 (as may be subsequently amended, supplemented or otherwise modified, the "**Asset Purchase Agreement**"), as more particularly described and set forth in the management information circular of the Company dated May 17, 2022, and to section 74 of the *Business Corporations Act* (British Columbia), the Company be and is hereby authorized to make a distribution to the holders of multiple voting shares (the "**MVS**") of the Company (the "**MVS Distribution**") as a return of capital of all or a portion of the net proceeds received by the Company pursuant to the Asset Purchase Agreement, in such amount and at such time as may be determined at the discretion of the board of directors of the Company.

2. In respect of the MVS Distribution, the Company is hereby authorized to reduce the capital of the MVS upon making the MVS Distribution, by an amount equal to the lesser of (a) the aggregate amount of the MVS Distribution, and (b) the capital of the MVS immediately prior to the MVS Distribution.

3. Notwithstanding the approval of this special resolution by the holders of MVS, the directors of the Company are hereby authorized and empowered, at their discretion, without any further notice to or approval of the holders of MVS, to not proceed with any or all of the transactions contemplated hereby.

4. Any director or officer of the Company be and is hereby authorized to execute and deliver all agreements, documents, instruments and writings, for, in the name and on behalf of the Company (whether under its corporate seal or otherwise), to pay all such expenses and to take all such other actions as in the sole discretion of such director or officer are necessary or desirable in order to fully carry out the intent and accomplish the purpose of these resolutions upon such terms and conditions as may be approved from time to time by the board of directors of the Company, such approval to be conclusively evidenced by the signing of such agreements, documents, instruments and writings by such director or officer."

APPENDIX "F"
FAIRNESS OPINION

See attached.

Stifel Nicolaus Canada Inc.
145 King Street West, Suite 300
Toronto, ON M5H 1J8
Tel: (416) 367-8600 Fax: (416) 943-6160

May 12, 2022

Special Committee of the Board of Directors
Poda Holdings Inc.
101-334 East Kent Avenue South
Vancouver, BC
V5X 4N6

Dear Sirs / Madams:

Stifel Nicolaus Canada Inc. ("**Stifel GMP**") understands that Poda Holdings, Inc. ("**Poda**" or the "**Company**") expects to enter into an agreement with Altria Client Services LLC ("**Altria**" or the "**Buyer**") and, Ryan Karkairan and Ryan Selby (collectively, the "**Owners**" and each, an "**Owner**") on or about May 13, 2022 (the "**Transaction Agreement**"), pursuant to which, among other things, Altria has agreed to acquire certain assets (the "**Assets**"), as more fully defined in the Transaction Agreement.

The Transaction

Altria has agreed to acquire all or substantially all of the Assets of the Company and certain assets from the Owners (the "**Transaction**") for an aggregate purchase price of US$100.5 million (the "**Purchase Price**"), in accordance with the terms of the Transaction Agreement. The Transaction assumes a 45% / 55% split of the Purchase Price (the "**Purchase Price Split**") between the Owners and the Company, whereby the Company will receive US$55.275 million (the "**Company Purchase Price**"). Stifel GMP is not providing any Opinion (as hereinafter defined) herein with respect to the Purchase Price Split or any other terms, conditions or covenants relating to, or ancillary, to the Transaction. The specific terms and conditions of the Transaction are more fully described in the notice of special meeting and management information circular (the "**Circular**"), which is to be mailed to shareholders of Poda in connection with the meeting to approve the Transaction.

Stifel GMP's Engagement

The Special Committee ("**Special Committee**" or the "**Committee**") of the Board (the "**Board**") formally retained Stifel GMP as a financial advisor pursuant to an engagement letter (the "**Engagement Letter**") dated as of February 25, 2022. Pursuant to the Engagement Letter, Stifel GMP has agreed to, among other things, deliver, at the request of the Special Committee, an opinion (the "**Opinion**") as to whether the Company Purchase Price is fair, from a financial point of view, to the Company. Pursuant to the Engagement Letter, on March 3, 2022, Stifel GMP orally delivered to the Special Committee its opinion that the Company Purchase Price under the Transaction Agreement is fair from a financial point of view to the Company and orally affirmed that opinion on May 12, 2022. This letter serves as Stifel GMP's Opinion delivered pursuant to the Engagement Letter.

The Engagement Letter provides that Stifel GMP will be paid by Poda, for the services provided thereunder, a $250,000 fee (the "**Opinion Fee**") upon delivery of the Opinion (regardless of its conclusions) to the Special Committee or, if the Special Committee determines not to request a written Opinion, upon the provision of our final assessment as to the fairness of the consideration provided for under the Transaction Agreement. The Opinion Fee shall be payable to Stifel GMP irrespective of whether or not the Transaction is completed. Whether or not the Transaction is completed, the Company will promptly reimburse Stifel GMP, upon request, for all reasonable out-of-pocket expenses incurred by Stifel GMP in entering into and performing this engagement, including (but not limited to) travel and communication expenses, courier charges and the reasonable fees and disbursements of Stifel GMP's legal counsel and other professional advisors. In addition, Stifel GMP and its affiliates and their respective directors, officers, employees, agents and controlling persons are to be indemnified by Poda under certain circumstances from and against certain liabilities arising out of the performance of professional services rendered to Poda. In the future, Stifel GMP may, in the ordinary course of business, seek to perform financial advisory services or corporate finance services for Poda and its affiliates or associates from time to time. Stifel GMP has not been engaged to prepare, and has not prepared, a formal valuation or appraisal of Poda, or any of

its assets, securities or liabilities, and the Opinion should not be construed as such.

Stifel GMP was similarly not engaged to review any legal, tax or accounting aspects of the Transaction and, accordingly, expresses no views thereon. Stifel GMP has assumed, with Poda's agreement, that the Transaction is not subject to the delivery of a formal valuation pursuant to the requirements of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and Stifel GMP's engagement does not include, and should not be considered to be or to involve, a formal valuation under MI 61-101. On March 3 2022, at the request of the Company, Stifel GMP orally delivered the Opinion to the Board based upon and subject to the scope of review, assumptions and limitations and other matters described herein and orally affirmed that opinion on May 12, 2022. The Opinion provides the same opinion, in writing, as those given orally by Stifel GMP on March 3 and May 12, 2022. Subject to the terms of the Engagement Letter, Stifel GMP consents to the inclusion of this Opinion, in its entirety, in the Circular, with a summary thereof, in a form acceptable to Stifel GMP, and to the filing thereof by Poda with the applicable Canadian securities regulatory authorities.

The Opinion is provided to the Special Committee in an impartial and objective fashion to assist the Special Committee in discharging its fiduciary duties and does not constitute a recommendation to Poda shareholders.

Credentials of Stifel GMP

Stifel GMP is a leading independent Canadian investment dealer focused on investment banking and institutional equities for corporate clients and institutional investors. As part of our investment banking activities, we are regularly engaged in the valuation of securities in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities and regularly engage in market making, underwriting and secondary trading of securities in connection with a variety of transactions. Stifel GMP is not in the business of providing auditing services and is not controlled by a financial institution. Stifel GMP and Stifel FirstEnergy are brand names of Stifel Nicolaus Canada Inc.

The Opinion expressed herein represents the opinion of Stifel GMP and the form and content hereof have been approved for release by a group of professionals of Stifel GMP, each of whom is experienced in merger, acquisition, divestiture, restructuring, valuation and fairness opinion matters.

This Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada ("**IIROC**") but IIROC has not been involved in the preparation or review of this Opinion.

Independence of Stifel GMP

None of Stifel GMP, its affiliates or associates, is an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of Poda, Altria or any of their respective associates or affiliates (collectively, the "**Interested Parties**"). Stifel GMP has not provided any financial advisory services to Poda within the past 24 months, other than pursuant to the Engagement Letter. The fees paid to Stifel GMP pursuant to the Engagement Letter are not, in the aggregate, financially material to Stifel GMP and do not give Stifel GMP any financial incentive in respect of either the conclusions reached in the Opinion or the outcome of the Transaction.

There are no understandings, agreements or commitments between Stifel GMP and any Interested Parties (as defined in MI 61-101) with respect to any future business dealings; however, Stifel GMP may in the future in the ordinary course of its business seek to perform financial advisory services for any one or more of them from time to time. Stifel GMP has been retained by Poda to, among other things, provide the Opinion to the Special Committee in respect of the Transaction. In the ordinary course of its business, Stifel GMP acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have, today, or in the future, positions in the securities of Poda or Altria and, from time to time, may have executed or may execute transactions on behalf of Poda or other clients for which it received or may receive compensation. In addition, as an investment dealer, Stifel GMP conducts research on securities and may, in the ordinary course of its business, provide

research reports and investment advice to its clients on investment matters, including research with respect to Poda, Altria or their respective affiliates or associates.

Scope of Review

For the purpose of preparing the Opinion, we have analyzed financial, operational and other information relating to Poda, including information derived from meetings and discussions with the management of Poda. Except as expressly described herein, Stifel GMP has not conducted any independent investigations to verify the accuracy and completeness thereof.

In connection with rendering the Opinion, and among other things, we have:

(a) Reviewed the non-binding term sheet for the Transaction,
(b) Reviewed a draft of the Transaction Agreement dated May 10, 2022;
(c) Reviewed the form of voting and support agreement to be entered between the Owners and Altria, as referred to in the Transaction Agreement;
(d) Reviewed a draft of the Circular and related meeting materials dated May 11, 2022;
(e) Reviewed all relevant public disclosure documents of Poda, as filed by the Company on "SEDAR", including press releases of the Company, financial statements, material change reports, the Amended and Restated Royalties Agreement between the Owners and Poda Technologies Ltd. dated effective April 12, 2019, and otherwise;
(f) Reviewed public market data and investment dealer equity research reports with respect to Poda and publicly traded comparable companies relevant to Poda;
(g) Reviewed public market data with respect to Poda Pods, iQOS, and concerning other transactions in the global heat-not-burn industry;
(h) Reviewed data with respect to other transactions of a comparable nature considered by Stifel GMP to be relevant;
(i) performed a comparison of the multiples implied under the terms of the Transaction with those implied from recent precedent acquisitions involving companies that Stifel GMP deemed relevant and reviewed the consideration paid for such companies;
(j) performed a comparison of the multiples implied under the terms of the Transaction to an analysis of the trading levels of similar companies we deemed relevant under the circumstances;
(k) performed a discounted cash flow analysis for the Company based on financial sales forecasts provided by management as well as other assumptions and applied sensitivity analysis to key metrics;
(l) Engaged in discussions with management of Poda with respect to the information referred to above and internal forecasts, projects, estimates and budgets prepared or provided by or on behalf of management of Poda;
(m) Reviewed representations contained in a certificate dated May 12, 2022 from senior officers of Poda (the "**Certificate**"); and
(n) Reviewed such other information, analyses, discussions and investigations as Stifel GMP considered appropriate in the circumstances.

In its assessment of fairness, Stifel GMP considered several methodologies, analyses and techniques and used a combination of those approaches in order to produce its Opinion. Stifel GMP based the Opinion upon a number of quantitative and qualitative factors as deemed appropriate based on Stifel GMP's professional experience.

Stifel GMP has not, to the best of its knowledge, been denied access by Poda to any information requested by Stifel GMP. Stifel GMP did not meet with the auditors of Poda and as stipulated below, has assumed, without independent investigation, the accuracy and fair presentation of the audited comparative consolidated financial statements of Poda and the reports of the auditors thereon.

Assumptions and Limitations

With Poda's approval and as provided for in the Engagement Letter, Stifel GMP has relied upon and has assumed the completeness, accuracy and fair presentation of all financial and other information, data, documents, materials, opinions, advice, and representations relating to the Poda Pods, Poda and any other relevant party, and other materials obtained by Stifel GMP from public sources(collectively, referred to as the "**Information**"). In addition, Stifel GMP has relied upon the Certificate provided by senior officers of Poda, on behalf of Poda with respect to the Information and other matters relevant to our Opinion. The Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, Stifel GMP has not attempted to verify independently the accuracy or completeness of any such Information, or the Certificate.

Stifel GMP is not a legal, tax, accounting or regulatory advisor or expert. Stifel GMP is a financial advisor only and has relied upon, without independent verification, the assessment of Poda and its legal, tax, accounting and regulatory advisors with respect to legal, tax, accounting and regulatory matters. Stifel GMP has not made any independent valuation or appraisal of the assets or liabilities of Poda, nor has Stifel GMP been furnished with any such appraisals. Stifel GMP was not engaged to review any legal, tax, accounting or regulatory aspects of the Transaction and accordingly expresses no view thereon. The Transaction Agreement is subject to a number of conditions outside the control of Poda, and Stifel GMP has assumed that all conditions precedent to the completion of the Transaction can and will be satisfied in due course and all consents, permissions, exemptions or orders of relevant regulatory authorities will be obtained, without adverse conditions or qualification and that the Transaction can and will be completed as currently planned without additional material costs or liabilities to Poda. Stifel GMP has also assumed that the Transaction will be completed in accordance with the terms and conditions of the Transaction Agreement without waiver of, or amendment to, any term or condition that is any way material to our analyses or the Opinion, that the Transaction will be completed in compliance with applicable laws and that the disclosure relating to Poda and the Transaction in any disclosure documents will be accurate and will comply with the requirements of applicable laws. In rendering the Opinion, Stifel GMP expresses no view as to the likelihood that the conditions respecting the Transaction will be satisfied or waived or that the Transaction will be completed on a timely basis or at all.

The Opinion is rendered as of the date of this letter and on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof, and the condition and prospects, financial and otherwise, of Poda as they were reflected in the Information and as they were represented to Stifel GMP in discussions with management of Poda. In rendering the Opinion, Stifel GMP has assumed that there are no undisclosed material facts relating to Poda, or its business, operations, capital or future prospects. Any changes therein may affect the Opinion and, although Stifel GMP reserves the right to change or withdraw the Opinion in such event, we disclaim any obligation to advise any person of any change that may come to our attention or to update the Opinion after today. Except as set out herein and in the Engagement Letter, any reference to the Opinion or the engagement of Stifel GMP by Poda is expressly prohibited without the express prior written consent of Stifel GMP.

The Opinion has been provided for the exclusive use of the Special Committee in connection with the Transaction and is not intended to be, and does not constitute, a recommendation that Poda shareholders should vote in favour of the Transaction. The Opinion does not address the relative merits of the Transaction as compared to other transactions or business strategies that may be available to Poda nor does it address the underlying business reasons to implement the Transaction. Stifel GMP has received no instructions from Poda or the Special Committee in connection with the conclusions reached in this Opinion.

Stifel GMP believes that the analyses and factors considered in arriving at the Opinion must be considered as a whole and is not amenable to partial analyses or summary description and that selecting portions of the analyses and the factors considered, without considering all factors and analyses together, could create a misleading view of the process employed and the conclusions reached. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. In arriving at the Opinion, Stifel GMP has not attributed any particular weight to

any specific analyses or factor but rather based the Opinion on a number of qualitative and quantitative factors deemed appropriate by Stifel GMP based on Stifel GMP's experience in rendering such opinions.

Stifel GMP has not been asked to prepare and has not delivered a formal valuation or appraisal of the securities or assets of Poda or of any of its affiliates, and the Opinion should not be construed as such. Stifel GMP does not express any view on, and the Opinion does not address, any other term or aspect of the Transaction or any term or aspect of any other transaction or instrument contemplated by the Transaction Agreement or entered into or amended in connection with the Transaction, or the fairness of the Transaction to, or any consideration received in connection therewith by, the Owners, the shareholders or other stakeholders of Poda. The Opinion is not, and should not be construed as, advice as to the price at which the securities of Poda may trade at any time, nor as to the impact of the Transaction on the solvency or viability of Poda or the ability of Poda to pay its obligations when they come due. In addition, the Opinion does not address the relative merits of the Transaction as compared to any strategic alternatives that may be available to Poda.

In our analyses and in connection with the preparation of the Opinion, Stifel GMP made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Transaction. While in the professional opinion of Stifel GMP, the assumptions used in preparing the Opinion are reasonable in the current circumstances, some or all of these assumptions may prove to be incorrect.

Conclusion and Fairness Opinion

Based upon our analysis and subject to the factors, assumptions, limitations qualifications and other matters set forth herein, Stifel GMP is of the opinion that the Company Purchase Price under the Transaction Agreement is fair, from a financial point of view, to Poda.

The Opinion has been provided solely for the use of the Special Committee of the Board for the purposes of considering the Transaction and may not be used or relied upon by any other person or for any other purpose without the prior written consent of Stifel GMP.

Other than as authorized herein, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without Stifel GMP's prior written consent.

Yours very truly,

Stifel Nicolaus Canada Inc.

Stifel Nicolaus Canada Inc.

APPENDIX "G"
DIVISION 2 OF PART 8 OF THE BCBCA

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.