



**NOTICE OF ANNUAL AND SPECIAL MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR
SHAREHOLDERS
OF
HARBORSIDE INC.
TO BE HELD ON JUNE 23, 2022**

Dated as of May 9, 2022

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HARBORSIDE INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of subordinate voting shares (the “**Subordinate Voting Shares**” or “**Shares**”) of Harborside Inc. (the “**Corporation**”) will be held on Thursday, June 23, 2022 at 11:00 a.m. (Toronto time). The Meeting will be held in a virtual meeting format only via live audio webcast online at <https://web.lumiagm.com/219343554> (meeting ID 219-343-554) for the following purposes:

1. to receive the audited financial statements of the Corporation for the years ended December 31, 2021 and 2020, together with the auditors’ reports thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint Armanino LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix their remuneration;
4. to consider and, if thought advisable, to pass, with or without variation, a special resolution, the full text of which is included in the accompanying management information circular of the Corporation dated May 9, 2022 (the “**Circular**”), authorizing certain amendments to the articles of the Corporation to, among other things, remove multiple voting shares from the authorized capital of the Corporation and reclassify the Subordinate Voting Shares as common shares; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Annual and Special Meeting of Shareholders is the Circular, either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders, and a reply card for use by shareholders who wish to receive the Corporation’s interim and/or annual financial statements.

Due to restrictions relating to the global COVID-19 pandemic, and to mitigate risks to the health and safety of our communities, Shareholders, employees and other stakeholders, the Corporation is holding the Meeting as a completely virtual meeting via live audio webcast online at <https://web.lumiagm.com/219343554> (meeting ID 219-343-554), password: “HBOR2022” (case sensitive). Registered Shareholders and duly appointed proxyholders will be able to attend the Meeting, submit questions and vote by online ballot, provided they are connected to the internet and follow the instructions in the attached Circular. Non-registered Shareholders, being Shareholders who hold their Shares through a bank, trust company, broker, dealer, custodian, nominee, administrator of a self-administered plan or other intermediary who have not duly appointed themselves as proxyholder will be able to virtually attend the Meeting as guests, however they will not be able to participate or vote at the Meeting. Shareholders will not be able to attend the Meeting in person.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Corporation’s transfer agent and registrar, Odyssey Trust Company, (a) by mail at Attn: Proxy Department, 67 Yonge St., Suite 702, Toronto ON M5E 1J8, or (b) by voting online at <https://login.odysseytrust.com/pxlogin>, clicking on vote and entering their 12 digit control number by no later than 11:00 a.m. (Toronto time) on Tuesday, June 21, 2022 or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

Shareholders who wish to appoint a person other than the management nominees identified in the form of proxy or voting instruction form (including a non-registered Shareholder who wishes to appoint themselves to attend the Meeting) must carefully follow the instructions in the attached Circular and on their form of proxy or voting instruction form. These instructions include the additional step of registering the

proxyholder with the Corporation's transfer agent, Odyssey Trust Company, after submitting the form of proxy or voting instruction form. **If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and participate at the Meeting as your proxy and vote your shares, you MUST register the proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving login credentials to participate in the Meeting and only being able to attend as a guest. Guests will be able to listen to the Meeting, but will not be able to vote.**

The record date for the determination of those Shareholders entitled to receive this Notice of Annual and Special Meeting of Shareholders and to vote at the Meeting is the close of business on Monday, April 25, 2022 (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 one vote for each Share held.

DATED at Toronto, Ontario this 9th day of May, 2022.

BY ORDER OF THE BOARD

"Matthew K. Hawkins"

Matthew K. Hawkins
Chairman and Director

HARBORSIDE INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Circular**”) is being provided in connection with the annual and special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of subordinate voting shares (the “**Subordinate Voting Shares**” or “**Shares**”) in the capital of Harborside Inc. (the “**Corporation**”). Consistent with the latest directives and orders of public health and governmental authorities regarding the COVID-19 coronavirus and in consideration of the health and safety of our Shareholders, colleagues and the broader community, this year’s Meeting will be held in a virtual meeting format only via live audio webcast online at <https://web.lumiagm.com/219343554> (meeting ID 219-343-554), password: “HBOR2022” (case sensitive). This Circular describes the items to be voted on at the Meeting as well as the voting process, and provides information about director and executive compensation, governance practices and other relevant matters. Unless otherwise indicated, all dollar amounts in this Circular are expressed in United States dollars. Any Canadian dollar amounts converted to United States dollars have been converted using an exchange rate of 0.7888, being the Bank of Canada daily exchange rate as of December 31, 2021 (the “**Exchange Rate**”).

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting for the purposes set forth in the attached Notice of Annual Meeting of Shareholders (the “**Notice**”). The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail, and, in relation to the delivery of this Circular, by posting this Circular online at <https://odysseytrust.com/client/harborside-inc/> and our SEDAR (as defined below) profile at www.sedar.com pursuant to the Notice-and-Access (as defined below) provisions. See “Notice-and-Access” on page 6 of this Circular for further information.

The solicitation of proxies may be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Corporation or by the Corporation’s transfer agent and registrar. The Corporation may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. All costs of solicitation will be borne by the Corporation. The Corporation has sent the N&A Notice (as defined below) and a form of proxy or voting instruction form, as applicable, (the “**Notice Package**”) to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed. The Corporation will not directly send the Notice Package to Beneficial Shareholders (as defined below). Instead, the Corporation will pay clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders whose Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward the Notice Package to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Corporation has elected to pay for the delivery of the Notice Package to objecting Beneficial Shareholders by the Intermediaries. The Corporation is sending the Notice Package directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Odyssey Trust Company. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Corporation if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Corporation will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Notice Package.

APPOINTMENT AND REVOCATION OF PROXIES

A registered Shareholder can vote by proxy whether or not he or she attends the Meeting. The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A registered Shareholder desiring to appoint some other person to represent him or her at the Meeting may do so either by inserting such person's name in the blank space provided in the applicable form of proxy or by completing another proper form of proxy.** In either case, a registered Shareholder can vote by proxy by delivering the completed proxy to the Corporation's transfer agent and registrar, Odyssey Trust Company, (a) by mail to Attn: Proxy Department, 67 Yonge St., Suite 702, Toronto ON M5E 1J8 in the prepaid addressed envelope provided for that purpose, or (b) by voting online at <https://login.odysseytrust.com/pxlogin>, clicking on vote and entering their 12 digit control number so as to arrive by no later than 11:00 a.m. (Toronto time) on Tuesday, June 21, 2022, or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used. **If you wish that a person other than the management nominees identified on the proxy attend and participate at the Meeting as your proxy and vote your Shares, you must complete the additional step of registering the proxyholder by emailing Odyssey Trust Company at appointee@odysseytrust.com by no later than 11:00 a.m. (Toronto time) on Tuesday, June 21, 2022, or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used. Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving login credentials to participate in the Meeting and only being able to attend as a guest. Guests will be able to listen to the Meeting, but will not be able to vote.**

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - (i) at the registered office of the Corporation at 181 Bay Street, Suite 1800, Toronto, Ontario, M5J 2T9, at any time up to 5:00 p.m. (Toronto time) on the last business day prior to the Meeting or any adjournment thereof;
 - (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof by attending the Meeting (virtually) and voting by online ballot, which vote will have the effect of revoking any and all previously submitted proxies; or
- (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Shares in their own name (referred to in this section as “**Beneficial Shareholders**”). If Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Shares will not be registered in such Shareholder’s name on the records of the Corporation. Such Shares will more likely be registered under the name of the Shareholder’s Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting the Shares for their clients.

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Corporation has distributed copies of the Notice Package to Intermediaries for onward distribution to all Beneficial Shareholders.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Corporation to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

NOTICE-AND-ACCESS

The Corporation is utilizing the notice-and-access mechanism (“**Notice-and-Access**”) under NI 54-101 in the case of Beneficial Shareholders and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) in the case of registered Shareholders.

Notice-and-Access allows the Corporation to deliver this Circular to Shareholders via specified electronic means provided that the conditions of NI 54-101 and NI 51-102 are met.

In accordance with NI 54-101, the Corporation set the Record Date (as defined below) at least 40 days and not more than 60 days before the Meeting and filed a form of notification of the Record Date and the date of the Meeting at least 25 business days before the Record Date.

Website Where Meeting Materials are Posted

The Notice-and-Access provisions are a set of rules that allow reporting issuers to choose to deliver proxy-related materials to registered Shareholders and Beneficial Shareholders by posting electronic versions of proxy-related materials online, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders.

The Corporation will not rely upon the use of “stratification”. In order for a reporting issuer such as the Corporation to avail itself of the Notice-and-Access process, the Corporation must send a notice to Shareholders (the “**N&A Notice**”), including Beneficial Shareholders, indicating the websites where this Circular has been posted and explaining how a Shareholder can access the Circular online or obtain a paper copy from the Corporation as well as other basic information about the Meeting including, among other things, the matters to be voted on at the Meeting.

Electronic copies of the Circular, the Notice, the annual audited consolidated financial statements of the Corporation for the year ended December 31, 2021 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for the year ended December 31, 2021 (“**MD&A**”) are available on the Corporation’s SEDAR profile at www.sedar.com and online at <https://odysseytrust.com/client/harborside-inc/>. In relation to the Meeting, Shareholders with existing instructions on their account to receive printed materials and those Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Notice Package. All other Shareholders will receive only the required notification documentation under Notice-and-Access, which will not include a paper copy of the Circular.

Obtaining Paper Copies of Materials

The Corporation anticipates that using Notice-and-Access for delivery will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about Notice-and-Access can call the Corporation toll-free in North America at 1-888-290-1175. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by contacting Odyssey Trust Company at the same toll-free number. Requests should be received at least five (5) business days in advance of the proxy cut-off date set out in the accompanying proxy or voting instruction form in order to receive the meeting materials in advance of the date of the Meeting.

Information for Shareholders not Resident in Canada

The Corporation is organized under the laws of the Province of Ontario. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate and securities laws in Canada. Shareholders should be aware that the requirements applicable to the Corporation under Canadian laws may differ from requirements under corporate and securities laws relating to corporations in other jurisdictions. The enforcement of civil liabilities under the securities laws of other jurisdictions outside Canada may be affected adversely by the fact that the Corporation is organized under the laws of the Province of Ontario. Shareholders may not be able to sue the Corporation and/or its directors or officers in a Canadian court for violations of foreign securities laws. It may be difficult to compel the Corporation to subject itself to a judgment of a court outside Canada.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The close of business on Monday, April 25, 2022 has been fixed as the record date (the “**Record Date**”) for the determination of Shareholders entitled to receive notice of the Meeting and any adjournment(s) thereof. Only Shareholders of record at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting or any adjournment(s) thereof.

The authorized voting securities of the Corporation consist of an unlimited number of Subordinate Voting Shares and an unlimited number of multiple voting shares in the capital of the Corporation (“**Multiple Voting Shares**”). On March 31, 2022, the Corporation completed a mandatory conversion of all of its issued and outstanding Multiple Voting Shares. As at the Record Date, the Corporation had issued and outstanding nil Multiple Voting Shares and 235,472,069 Subordinate Voting Shares, representing all of the voting rights attached to the outstanding voting securities of the Corporation. Shareholders of record on the Record Date are entitled to vote on the basis of one vote for each Subordinate Voting Share held.

The Subordinate Voting Shares are “restricted securities” as defined under applicable Canadian securities laws. The Corporation received the requisite prior approval of shareholders of the Lineage Grow Company Ltd. (the name of the Corporation prior to completion of its reverse takeover transaction (“**RTO**”) with FLRish, Inc. (“**FLRish**”)), at the special meeting of shareholders held on May 16, 2019.

The following is a summary of the rights, privileges, restrictions and conditions attached to the Subordinate Voting Shares:

Subordinate Voting Shares

Restricted Securities The Subordinate Voting Shares are “restricted securities” within the meaning of such term under applicable Canadian securities laws.

Right to Notice and Vote Holders of Subordinate Voting Shares are entitled to notice of and to attend at any meeting of the shareholders of the Corporation except a meeting of which only holders of another particular class or series of shares of the Corporation will have the right to vote. At each such meeting, holders of Subordinate Voting Shares will be entitled to one vote in respect of each Subordinate Voting Share held.

Class Rights; Pre-Emptive Rights As long as any Subordinate Voting Shares remain outstanding, the Corporation will not, without the consent of the holders of the Subordinate Voting Shares by separate special resolution, prejudice or interfere with any right attached to the Subordinate Voting Shares. Holders of Subordinate Voting Shares will not be entitled to a right of first refusal to subscribe for, purchase or receive any part of any issue of

Subordinate Voting Shares, or bonds, debentures or other securities of the Corporation.

- Dividends Holders of Subordinate Voting Shares will be entitled to receive as and when declared by the directors of the Corporation, dividends in cash or property of the Corporation. No dividend will be declared or paid on the Subordinate Voting Shares unless the Corporation simultaneously declares or pays, as applicable, equivalent dividends (on an as-converted to Subordinate Voting Share basis) on the Multiple Voting Shares.
- Participation In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of Subordinate Voting Shares will, subject to the prior rights of the holders of any shares of the Corporation ranking in priority to the Subordinate Voting Shares, be entitled to participate rateably along with all other holders of Subordinate Voting Shares and Multiple Voting Shares (on an as-converted to Subordinate Voting Share basis).
- Changes To maintain and preserve the relative rights of the holders of the shares of each of the said classes, no subdivision or consolidation of the Subordinate Voting Shares shall occur unless, simultaneously, the Subordinate Voting Shares and Multiple Voting Shares are subdivided or consolidated in the same manner.
- Conversion In the event that an offer is made to purchase Multiple Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Multiple Voting Shares are then listed, to be made to all or substantially all the holders of Multiple Voting Shares in a given province or territory of Canada to which these requirements apply, each Subordinate Voting Share shall become convertible at the option of the holder into Multiple Voting Shares at the inverse of the Conversion Ratio then in effect at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Subordinate Voting Shares for the purpose of depositing the resulting Multiple Voting Shares pursuant to the offer, and for no other reason. In such event, the Corporation's transfer agent shall deposit the resulting Multiple Voting Shares on behalf of the holder. Should the Multiple Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Multiple Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of the Corporation or on the part of the holder, into Subordinate Voting Shares at the Conversion Ratio then in effect.

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, the only persons who beneficially own, or control or direct, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of Shares are as follows:

Name	Number of Subordinate Voting Shares Owned, Controlled or Directed ⁽¹⁾	Percentage of Voting Rights Attached to all Outstanding Shares
Matthew K. Hawkins ⁽²⁾	30,239,787	11.99%
Andrew Sturner ⁽³⁾	29,886,637	11.85%
Cresco Capital Partners II, LLC ⁽⁴⁾	26,926,787	10.67%

Notes:

- (1) Represents Shares, options, restricted share units and any other convertible securities, on a fully diluted basis.
- (2) Mr. Hawkins beneficially owns, or controls or directs, an aggregate of 25,906,437 Subordinate Voting Shares indirectly through CCP FLRISH, LLC, CCP, RARCOZ, LLC, CCP URBN LLC, Cresco Capital Partners II, LLC and Cresco Capital Partners, LLC. As at the date of this Circular, Mr. Hawkins also holds options exercisable into an aggregate of 333,000 Subordinate Voting Shares directly, restricted share units representing the right to receive up to 450,000 Subordinate Voting Shares directly and warrants exercisable into an aggregate of 3,550,000 Subordinate Voting Shares indirectly through Cresco Capital Partners II, LLC.
- (3) Mr. Sturner beneficially owns, or controls or directs, an aggregate of 26,031,537 Subordinate Voting Shares indirectly through CCP FLRISH, LLC, CCP, RARCOZ, LLC, CCP URBN LLC, Cresco Capital Partners II, LLC, Cresco Capital Partners, LLC and Orange Island Ventures, LLC. As at the date of this Circular, Mr. Sturner also holds options exercisable into an aggregate of 180,000 Subordinate Voting Shares directly and warrants exercisable into an aggregate of 3,675,100 Subordinate Voting Shares indirectly through Cresco Capital Partners II, LLC and Orange Island Ventures, LLC.
- (4) This entity does business as Entourage Effect Capital and is controlled and directed by Matthew K. Hawkins and Andrew Sturner. Mr. Hawkins is currently a director of the Corporation. Mr. Sturner resigned as a director of the Corporation on April 4, 2022 and transitioned into a role as a Board observer. Both Mr. Hawkins and Mr. Sturner are partners at Entourage Effect Capital. As at the date of this Circular, Cresco Capital Partners II, LLC holds an aggregate of 23,376,787 Subordinate Voting Shares and also hold warrants exercisable into an aggregate of 3,550,000 Subordinate Voting Shares.

Redemption

At the option of the Corporation, Subordinate Voting Shares owned by an Unsuitable Person (as defined below) may be redeemed by the Corporation for the redemption price out of funds lawfully available on the redemption date. Subordinate Voting Shares will be redeemable at any time and from time to time. The Corporation may pay the redemption price by using its existing cash resources, incurring debt, issuing additional Subordinate Voting Shares, issuing a promissory note in the name of the Unsuitable Person, or by using a combination of the foregoing sources of funding.

For purposes hereof, “**Unsuitable Person**” means:

- (i) any person with a five percent (5%) or more ownership interest in all of the issued and outstanding shares of the Corporation (a “**Significant Interest**”) who a governmental authority granting the licenses for the business has determined to be unsuitable to own shares of the Corporation; or
- (ii) any person with a Significant Interest whose ownership of shares may result in the loss, suspension or revocation (or similar action) with respect to any licenses or in the Corporation being unable to obtain any new licenses in the normal course, including, but not limited to, as a result of such person's failure to apply for a suitability review from or to otherwise fail to comply with the requirements of a governmental authority, as determined by the Board, in its sole discretion, after consultation with legal counsel and if a license application has been filed, after consultation with the applicable governmental authority.

In connection with the conduct of the business of the Corporation, the Corporation may require that any Shareholder provide to one or more governmental authorities, if and when required, information and fingerprints for a criminal background check, individual history form(s), and other information required in connection with applications for licenses for the operation of the business of the Corporation.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The general objectives of the Corporation's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; and (c) attract and retain highly qualified executive officers.

Elements of Compensation

The compensation of Named Executive Officers (as such term is defined below) is comprised of the following elements: (a) base salary; (b) an annual discretionary cash bonus; and (c) long-term equity incentives, consisting of Awards (as such term is defined below) granted under the Corporation's equity incentive plan. These principal elements of compensation are described in further detail below.

1. Base Salary

Each Named Executive Officer receives a base salary, which constitutes a significant portion of the Named Executive Officer's compensation package. Base salary is recognition for discharging day-to-day duties and responsibilities and reflects the Named Executive Officer's performance over time, as well as that individual's particular experience and qualifications. Each Named Executive Officer's base salary is reviewed by the board of directors of the Corporation (the "**Board**") on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

2. Annual Cash Bonus

In addition to base salary, each Named Executive Officer may receive an annual discretionary cash bonus. Annual bonuses may be awarded by the Board based on qualitative and quantitative performance standards, and are intended to reward performance of Named Executive Officers individually. The determination of a Named Executive Officer's performance may vary from year to year depending on economic conditions and conditions in the cannabis industry, and may be based on measures such as stock price performance, the meeting of financial targets against budget (such as adjusted funds from operations), the meeting of acquisition objectives and balance sheet performance.

3. Equity Incentive Plan

The Corporation's current amended and restated omnibus equity incentive plan was adopted by the Board on January 17, 2022 (the "**Equity Incentive Plan**"). The Equity Incentive Plan permits the granting of (i) share options ("**Options**"), (ii) share appreciation rights ("**SARs**"), (iii) restricted share awards ("**Restricted Shares**"), (iv) restricted share units ("**RSUs**"), (v) performance awards ("**Performance Awards**"), (vi) dividend equivalents ("**Dividend Equivalents**") and (vii) other share based awards (collectively, the "**Awards**"). Awards are granted by either the Board or the governance, compensation and nominating committee of the Board (the "**GC&N Committee**"). A copy of the Equity Incentive Plan is available on the Corporation's profile on SEDAR at www.sedar.com.

The Equity Incentive Plan is intended to promote the interests of the Corporation and its Shareholders by aiding the Corporation in attracting and retaining employees, officers, consultants, advisors and non-employee directors capable of assuring the future success of the Corporation, to offer such persons incentives to put forth maximum efforts for the success of the Corporation's business and to compensate

such persons through various share and cash-based arrangements and provide them with opportunities for share ownership in the Corporation, thereby aligning the interests of such persons with Shareholders.

Compensation of Directors

The following table illustrates the compensation structure for the non-executive directors. The directors may also be reimbursed for out-of-pocket expenses incurred in carrying out their duties as directors in addition to the compensation as set out below.

Annual Retainer	
Chairperson of the Board	\$90,000
Non-executive director	\$48,000
Committee members	\$15,000

Officers of the Corporation who also act as directors will not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation in their capacity as officers.

Compensation Risk

The Board and, as applicable, the GC&N Committee, considers and assesses the implications of risks associated with the Corporation's compensation policies and practices and devotes such time and resources as is believed to be necessary in the circumstances. The Corporation's practice of compensating its officers primarily through a mix of salary, bonus and stock options is designed to mitigate risk by: (i) ensuring that the Corporation retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Corporation and its shareholders. As at the date of this Circular, the Board had not identified risks arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Financial Instruments

Pursuant to the terms of the Corporation's Insider Trading Policy, the Corporation's officers and directors are prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an officer or director.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the GC&N Committee and has reviewed and approved the GC&N Committee's Charter. The GC&N Committee is composed of Jonathon Roy Pottle (Chair), Matthew K. Hawkins and, upon appointment to the Board, Felicia Snyder, two of whom are "independent" as such term is defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110"). Mr. Hawkins is the former Interim Chief Executive Officer of the Corporation and is not independent.

The GC&N Committee meets on compensation matters as and when required with respect to executive compensation. The primary goal of the GC&N Committee as it relates to compensation matters is to ensure that the compensation provided to the Named Executive Officers and the Corporation's other senior officers is determined with regard to the Corporation's business strategies and objectives, such that the financial interest of the senior officers is aligned with the financial interest of shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives.

The GC&N Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

As a whole, the members of the GC&N Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the GC&N Committee in making informed decisions on the suitability of the Corporation’s compensation policies and practices. Each of the members of the GC&N Committee has experience on the board of directors and related committees of other public companies, as described under “Particulars of Matters to be Acted Upon – Election of Directors” in this Circular.

Executive Compensation-Related Fees

No executive compensation-related fees were paid in 2020 or 2021.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to the following individuals: (i) each former Interim Chief Executive Officer; (ii) the Chief Financial Officer; (iii) General Counsel and Chief Compliance Officer; and (iv) Chief Operating Officer (collectively, the “**Named Executive Officers**”) for the Corporation’s two most recently completed financial years:

Name and principal position	Year	Salary/Fee (\$)	Share-based awards (\$)	Option-based awards⁽⁵⁾ (\$)	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total compensation (\$)
Peter Bilodeau ⁽¹⁾ Former Interim Chief Executive Officer	2021 2020	157,500 315,000	- -	- 313,262	- 157,500	150,000 85,000	307,500 870,762
Matthew K. Hawkins ⁽²⁾ Former Interim Chief Executive Officer	2021 2020	86,625 -	- -	124,704 -	- -	- -	211,329 -
Tom DiGiovanni ⁽³⁾ Chief Financial Officer	2021 2020	275,000 275,000	- -	70,119 52,975	96,250 -	60,000 60,000	501,369 387,975
Jack H. “Jack” Nichols General Counsel and Chief Compliance Officer	2021 2020	357,225 310,125	- -	25,259 80,881	150,000 -	- -	532,484 391,006
Ahmer Iqbal ⁽⁴⁾ Chief Operating Officer	2021	92,394	-	74,895	-	-	167,289

Notes:

- (1) Peter Bilodeau was appointed as Interim Chief Executive Officer of the Corporation on October 25, 2019. Mr. Bilodeau was paid for his service as Chief Executive Officer and Interim Chief Executive Officer by Emtra (as such term is defined below) pursuant to the terms of certain consulting services agreements between the Corporation and Emtra. See “Executive Compensation – Management Contracts – Termination and Change of Control Benefits – Emtra Agreement.” Mr. Bilodeau resigned as Interim Chief Executive Officer effective July 19, 2021.
- (2) Matthew K. Hawkins was appointed Interim Chief Executive Officer of the Corporation on July 19, 2021, following Mr. Bilodeau’s resignation. On March 1, 2022, Mr. Hawkins resigned as Interim Chief Executive Officer of the Corporation and Edward M. Schmults was appointed Chief Executive Officer.

- (3) Tom DiGiovanni was paid for his service as Chief Financial Officer by Newhouse (as such term is defined below) pursuant to the terms of a consulting service agreement between the Corporation and Newhouse. See “Executive Compensation – Management Contracts – Termination and Change of Control Benefits – Newhouse Agreement.”
- (4) Ahmer Iqbal was appointed as Chief Operating Officer of the Corporation on July 19, 2021.
- (5) Calculated based on the Black-Scholes model for option valuation. The fair value of the stock options has been calculated based on the following assumptions:

Year	Risk-free Interest Rate	Expected Life	Expected Stock Price Volatility	Expected Dividend Yield
2021	0.28 - 2.22%	3 - 4 years	100%	Nil%
2020	0.35%	3.25 years	100%	Nil%

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding for the Named Executive Officers as of December 31, 2021:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Peter Bilodeau	11,957 8,152 510,000	8.21 ⁽²⁾ 5.42 ⁽³⁾ 0.75 ⁽⁴⁾	May-24-2023 Dec-14-2023 Sept-1-2025	-	-	-	-
Matthew K. Hawkins	8,000 145,000 180,000	4.15 0.75 ⁽⁴⁾ 1.44 ⁽⁶⁾	May-15-2028 Sept-1-2025 Dec-23-2025	-	180,000	-	-
Tom DiGiovanni	275,000	0.75 ⁽⁴⁾	Sept-1-2025	-	-	-	-
John H. “Jack” Nichols	32,631 50,000 100,000 150,000 500,000	0.05 4.15 0.75 ⁽⁴⁾ 4.15 0.05	Aug-1-2026 April-25-2028 Sept-1-2025 April-25-2028 Aug-1-2026	166,633	44,444	-	-
Ahmer Iqbal	215,000	1.40 ⁽⁵⁾	July-2-2026	-	215,000	-	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price for the Subordinate Voting Shares on the CSE on December 31, 2021 (the last trading day of the year ended December 31, 2021) and the exercise price of the options, multiplied by the number of unexercised options. For the purposes of this calculation, the closing price has been converted to United States dollars using the Exchange Rate.
- (2) Exercise price of CAD\$10.45 converted to United States dollars using the Exchange Rate.
- (3) Exercise price of CAD\$6.90 converted to United States dollars using the Exchange Rate.
- (4) Exercise price of CAD\$0.95 converted to United States dollars using the Exchange Rate.
- (5) Exercise price of CAD\$1.78 converted to United States dollars using the Exchange Rate.
- (6) Exercise price of CAD\$1.83 converted to United States dollars using the Exchange Rate.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each Named Executive Officer during the twelve months ended December 31, 2021:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (S)	Share-based awards – Value vested during the year (S)	Non-equity incentive plan compensation – Value earned during the year (S)
Peter Bilodeau	-	-	-
Matthew K. Hawkins	-	-	-
Tom DiGiovanni	-	-	-
John H. “Jack” Nichols	-	-	-
Ahmer Iqbal	-	-	-

Note:

- (1) The “value vested during the year” is calculated based on the difference between the closing price for the Subordinate Voting Shares on the CSE as of the date of vesting (or the most recent closing price on the CSE, if applicable) and the exercise price of the options, multiplied by the number of vested options. For the purposes of this calculation, the closing price has been converted to United States dollars using the Exchange Rate.

Management Contracts – Termination and Change of Control Benefits

Emtra Agreement

On October 25, 2019, the Corporation entered into a consulting agreement with Emtra Business Services Inc. (“**Emtra**”), a company controlled by Mr. Peter Bilodeau, to provide Interim Chief Executive Officer services to the Corporation through Mr. Bilodeau for a monthly fee of \$26,250 as well as a performance-based bonus for up to 50% of base salary to be determined at the discretion of the Board. Mr. Bilodeau ceased providing services to the Corporation as Interim Chief Executive Officer in July 2021, following his resignation as Interim Chief Executive Officer.

Newhouse Agreement

On December 9, 2019 the Corporation entered into a consulting agreement with Newhouse Development, LLC (“**Newhouse**”), a company controlled by Mr. Tom DiGiovanni, to provide Chief Financial Officer services to the Corporation through Mr. DiGiovanni for a monthly fee of \$22,917 as well as a performance-based bonus for up to 35% of base salary to be determined at the discretion of the Board. Mr. DiGiovanni also received a \$10,000 bonus on signing of the Newhouse agreement and is entitled to a monthly allowance of \$5,000 intended to cover certain administrative costs related to providing services to the Corporation. Pursuant to the Newhouse agreement, termination without cause within 12 months of a change of control event entitles Mr. DiGiovanni to three months of base salary.

John H. (Jack) Nichols

On April 9, 2018, the Corporation entered into an employment agreement with John “Jack” Nichols to provide certain services to the Corporation for a monthly fee of \$25,833.33 as well as a performance-based bonus for up to 50% of base salary to be determined at the discretion of the Corporation. Under the terms of Jack Nichol’s employment agreement, in the event of termination by expiration or without cause, or in the event the Corporation consummates a change of control transaction and upon closing of the change of control transaction or within the twelve month period following the closing of the change of control transaction Mr. Nichols’ employment is terminated by the Corporation without cause, Mr. Nichols is entitled to receive any equity entitlements as set forth in the employment agreement and one year of severance that includes base salary and equivalent health benefits.

Matthew K. Hawkins

On July 19, 2021, the Corporation entered into a consulting agreement with Cresco Capital Management LLC to provide management services as the Interim Chief Executive Officer for a monthly fee of \$15,750. Mr. Hawkins ceased providing management services to the Corporation as Interim Chief Executive Officer in March 2022, upon the appointment of Edward M. Schmults as Chief Executive Officer.

Ahmer Iqbal

On July 19, 2021, the Corporation entered into an employment agreement with Ahmer Iqbal to provide certain services to the Corporation for a monthly fee of \$17,916.66 as well as a performance-based bonus of up to \$45,000.00 to be determined at the discretion of the Corporation. Under the terms of Mr. Iqbal's employment agreement, in the event of termination by expiration or without cause, or in the event the Corporation consummates a change of control transaction and upon closing of the change of control. Transaction Mr. Iqbal's employment is terminated by the Corporation without cause, Mr. Iqbal is entitled to receive any equity entitlements as set forth in the employment agreement and six months of severance that includes base salary and equivalent health benefits.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors of the Corporation (other than directors who are also Named Executive Officers) during the year ended December 31, 2021:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	All other compensation (\$)	Total (\$)
Kevin K. Albert	66,000	-	69,280	-	135,280
Michael Dacks	38,340	-	69,280	-	107,620
Peter Kampian	88,215	-	40,811	-	129,026
Alexander Norman	38,340	-	31,393	-	69,733
James E. Scott	96,000	-	31,393	-	127,393
Andrew Sturner	51,000	-	40,811	-	91,811

Note:

(1) Calculated based on the Black-Scholes model for option valuation. The fair value of the stock options has been calculated based on the following assumptions:

Year	Risk-free Interest Rate	Expected Life	Expected Stock Price Volatility	Expected Dividend Yield
2021	0.27 - 0.43%	3 – 6.76 years	100%	Nil%

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the directors of the Corporation (other than directors who are also Named Executive Officers) as of December 31, 2021:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Kevin K. Albert	100,000	1.44 ⁽³⁾	Dec-23-2025	-	75,000	-	-
Michael Dacks	100,000	1.44 ⁽³⁾	Dec-23-2025	-	75,000	-	-
Peter Kampian	130,000 130,000	0.75 ⁽²⁾ 1.44 ⁽³⁾	Sept-1-2025 Dec-23-2025	- -	- 97,500	-	-
Alexander Norman	100,000	1.44 ⁽³⁾	Dec-23-2025	-	75,000	-	-
James E. Scott	100,000	1.44 ⁽³⁾	Dec-23-2025	-	75,000	-	-
Andrew Sturner	130,000	1.44 ⁽³⁾	Dec-23-2025	-	97,500	-	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price for the Subordinate Voting Shares on the CSE on December 31, 2021 (the last trading day of the year ended December 31, 2021) and the exercise price of the options, multiplied by the number of unexercised options. For the purposes of this calculation, the closing price has been converted to United States dollars using the Exchange Rate.
- (2) Exercise price of CAD\$0.95 converted to United States dollars using the Exchange Rate.
- (3) Exercise price of CAD\$1.83 converted to United States dollars using the Exchange Rate.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each director of the Corporation (other than directors who are also Named Executive Officers) during the year ended December 31, 2021: -

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Kevin K. Albert	-	-	-
Michael Dacks	-	-	-
Peter Kampian	-	-	-
Alexander Norman	-	-	-
James E. Scott	-	-	-
Andrew Sturner	-	-	-

Note:

- (1) The “value vested during the year” is calculated based on the difference between the closing price for the Subordinate Voting Shares on the CSE as of the date of vesting (or the most recent closing price on the CSE, if applicable) and the exercise price of the options, multiplied by the number of vested options. For the purposes of this calculation, the closing price has been converted to United States dollars using the Exchange Rate. All options granted to the directors vested in equal annual instalments over the three year period from the date of grant.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Subordinate Voting Shares to be issued upon exercise of outstanding Options pursuant to the Equity Incentive Plan as at December 31, 2021:

Plan Category	Number of Subordinate Voting Shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options (\$)	Number of Subordinate Voting Shares remaining available for future issuance under equity compensation plans ⁽¹⁾
Equity compensation plans approved by security holders	4,624,152	1.51	3,935,658
Equity compensation plans not approved by security holders	-	-	-
Total	4,624,152	1.51	3,935,658

Note:

- (1) As at December 31, 2021, the aggregate maximum number of Subordinate Voting Shares available for issuance pursuant to the grant of Awards under the Equity Incentive Plan was 8,559,810 Subordinate Voting Shares. This limit was increased by the Board subsequent to year-end.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out the aggregate indebtedness of executive officers, directors, employees and former executive officers, directors and employees of the Corporation and its subsidiaries to the Corporation and its subsidiaries pursuant to the purchase of securities or otherwise as at the date of this Circular:

AGGREGATE INDEBTEDNESS		
Purpose	To the Corporation or its Subsidiaries (\$)	To another entity
Share Purchases	-	-
Other	-	-

The following table sets out indebtedness for each individual who is, or at any time during the twelve month period ended December 31, 2021 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate of any such director, executive officer or proposed nominee, to the Corporation and any of its subsidiaries during the twelve month period ended December 31, 2021 or as at the date of this Circular in connection with security purchase programs or other programs.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS UNDER SECURITIES PURCHASE AND OTHER PROGRAMS						
Name and Principal Position	Involvement of Corporation or Subsidiary	Largest Amount Outstanding During the twelve month period ended December 31, 2021 (\$)	Amount Outstanding as at the date of this Circular (\$)	Financially Assisted Securities Purchases the twelve month period ended December 31, 2021 (#)	Security for Indebtedness	Amount Forgiven During the twelve month period ended December 31, 2021 (\$)
Securities Purchase Programs						
-	-	-	-	-	-	-
Other Programs						
John H. “Jack” Nichols, General Counsel and Corporate Secretary	Lender (FLRish)	-	Nil ⁽¹⁾	N/A	N/A	-

Note:

(1) Mr. Nichols is indebted to FLRish pursuant to a term promissory note dated as of September 1, 2020 in the principal amount of \$100,000. The loan was secured against 400,000 Subordinate Voting Shares held by Mr. Nichols, bearing interest at a rate of 4% per annum with a maturity date of June 30, 2021. As of December 31, 2021, the loan was fully repaid.

REPORT ON CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Corporation’s management as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Corporation’s corporate governance practices, which addresses the matters set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, is set out at Schedule “A” to this Circular.

AUDIT COMMITTEE DISCLOSURE

The Audit Committee’s Charter

The charter (the “**Audit Committee Charter**”) of the audit committee of the Corporation (the “**Audit Committee**”) is reproduced as Schedule “B” to this Circular.

Composition of Audit Committee

The Audit Committee is composed of James E. Scott (Chair), Tiffany Liff and Jonathon Roy Pottle, each of whom is a director of the Corporation. None of the Audit Committee members are employees, executive officers or control persons of the Corporation, in accordance with the composition requirements for venture issuers under NI 52-110. All members of the Audit Committee are considered “independent” as such term is defined in NI 52-110. The Corporation is of the opinion that all members of the Audit Committee are “financially literate” as such term is defined in NI 52-110.

Relevant Education and Experience

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting

issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

James E. Scott (Chair) – Jim Scott is an entrepreneur and investor with a unique blend of transaction, operating and leadership experience and a passion for business. Since 1998, Jim has been the Managing Partner of Denver-based The Scott Company LLC, a boutique advisory firm and merchant bank. Throughout his career, Jim has completed successful transactions for clients of all sizes – from startup to multibillion dollars. Jim is also the Managing Partner of Littlehorn Investments, LLC, a Denver-based investment fund focused on investing in, or buying, lower market operating businesses. Jim is an Independent Director of Aduro Clean Technologies Inc. (CSE: ACT) and has served on the Board of several private companies, including Denver-based PaySimple Inc. and Receptra Naturals. He is a Past-President and Board Member of Entrepreneurs Organization (EO) Colorado. He served eight years on the Board of Trustees of the YMCA of Metropolitan Denver during which he was the Chair of the Finance Committee, a member of the Executive Committee and ultimately Vice Chairman. Jim also has extensive experience as an operator and leader as the President and CEO of two Denver-based companies: Qube Visual and Receptra Naturals. Jim began his career in investment banking in 1992 with Salomon Brothers Inc. in their domestic mergers and acquisitions group. He also worked for SBC Warburg in London in their global chemicals investment banking and M&A groups. Jim graduated Summa Cum Laude from Boston University School of Management in finance and operations management.

Tiffany Liff – Tiffany began her career as a commercial financial analyst in 1994 at NationsBank in Miami, Florida. In 1996, she transferred to Atlanta, Georgia into a leveraged finance role and eventually landed at Wachovia Bank, where she provided capital to private equity firms to support their acquisitions. During her tenure at Wachovia Bank from 2000 to 2007, Tiffany was responsible for originating, underwriting, syndicating and closing some of the largest leveraged loans in the distressed debt sector at the time. Tiffany's coverage of the M&A markets for private equity firms allowed her network to expand to large national and international syndicated transactions where she was responsible for closing over \$1 billion dollars in leveraged loans. In 2014, Tiffany founded her own firm, TPL Analytics, which specializes in real estate and cannabis investments on behalf of private equity, legal and high net worth professionals. Tiffany is responsible for all facets of the deal process, including the cultivation of deal flow, underwriting and deal closings on behalf of her network of investors. Over the last two years, along with real estate investing, Tiffany has focused on the cannabis industry; making several investments in the space and bringing capital to various institutions through her private equity and legal networks. Over the last three years, Tiffany has brought over \$20 million dollars of capital to eight different transactions in the cannabis space. In 2018, Tiffany joined Entourage Effect Capital as Head of Underwriting and Portfolio Management. Tiffany sits on the Company's Investment Committee and on various boards of the Company's portfolio companies. Tiffany attended Florida State University, where she obtained an academic scholarship and played as a student athlete. She graduated in 1993 with a B.S. in Finance.

Jonathon Roy Pottle – Mr. Pottle is a seasoned business executive with over thirty-five years of experience in financing, acquiring and operating private and public companies. He is currently Chairman and Chief Executive Officer of American Messaging Services, LLC, a privately held wireless messaging company he co-founded in 2005 that provides critical messaging services throughout the United States. From February 1998 to November 2004 Mr. Pottle was Executive Vice President and Chief Financial Officer of Arch Wireless, Inc., a large publicly traded wireless messaging company and from October 1994 to February 1998, Mr. Pottle was Vice President and Treasurer of Jones Intercable, Inc., a publicly traded cable television company. Prior to October 1994, Mr. Pottle held a variety of senior positions in both Toronto and New York with the Bank of Nova Scotia where he managed a \$3.5 billion media and telecommunications portfolio. Mr. Pottle has served on the board of several public and private companies, most recently he was Chairman of the Board of Crosswinds Holdings, Inc, a publicly traded asset management company. Mr. Pottle holds both a Bachelor of Commerce and an MBA from Concordia University in Montreal, Quebec.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the nomination and/or compensation of the Corporation's external auditors not been adopted by the board of directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimis Non-audit Services*" or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

External Auditor Service Fees (By Category)

Audit Fees – The Corporation's external auditor invoiced approximately US\$252,000 to audit the financial year ended December 31, 2021 and CAD\$845,000 to audit the financial year ended December 31, 2020.

Audit-Related Fees – The Corporation's external auditor invoiced \$nil during the financial year ended December 31, 2021 and CAD\$89,100 during the financial year ended December 31, 2020 for administrative services incurred primarily related to the audit.

Tax Fees – The Corporation's external auditor invoiced \$nil during the financial year ended December 31, 2021 and CAD\$30,200 during the financial year ended December 31, 2020 for tax services related to compliance, planning and tax advice.

All Other Fees – The Corporation's external auditor invoiced no other fees for the financial years ended December 31, 2021 and December 31, 2020.

Venture Issuer Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no "informed person" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102")) or proposed nominee for election as a director of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation.

On February 18, 2021, the Corporation closed its upsized brokered private placement of units of the Corporation at a price of CAD\$2.55 per SVS Unit (as defined below) and CAD\$255.00 per MVS Unit (as defined below) for aggregate gross proceeds of CAD\$35,103,045 (the "**Offering**"). Each unit issued to non-residents of the United States (an "**SVS Unit**") was comprised of one Subordinate Voting Share and one Subordinate Voting Share purchase warrant of the Corporation. Each warrant underlying an SVS Unit is exercisable to acquire one Subordinate Voting Share for a period of 36 months following closing of the Offering at an exercise price of CAD\$3.69 per Subordinate Voting Share, subject to adjustment and acceleration in certain events. A total of 5,806,700 SVS Units were issued pursuant to the Offering. All investors that were considered U.S. Residents under the Exchange Act were issued units (each, an "**MVS**

Unit”) comprised of Multiple Voting Shares and Multiple Voting Share purchase warrants of the Corporation, based on the same economic equivalency of each Multiple Voting Share converting into 100 Subordinate Voting Shares. A total of 79,592 MVS Units were issued pursuant to the Offering.

Since certain “related parties” of the Corporation (as defined in Multilateral Instrument 61-101—Protection of Minority Security Holders in Special Transactions (“MI 61-101”)) participated in the Offering, the Offering was deemed to be a “related party transaction” as defined under MI 61-101. Information in respect of such related parties is as follows:

Related Party	Relationship to Issuer	Participation in Offering
Peter Bilodeau	Interim CEO	58,800 SVS Units CAD\$149,940
Tom DiGiovanni	CFO	307 MVS Units CAD\$78,285
Peter Kampian	Director	39,200 SVS Units CAD\$99,960
Cresco Capital Partners II, LLC ⁽¹⁾	Insider	35,500 MVS Units CAD\$9,052,500
Andrew Sturner ⁽²⁾	Director	1,251 MVS Units CAD\$319,005
James Scott ⁽³⁾	Director	1,600 MVS Units CAD\$408,000

Notes:

- (1) This entity does business as Entourage Effect Capital and is controlled and directed by Matthew Hawkins and Andrew Sturner, directors of the Corporation. Both Mr. Hawkins and Mr. Sturner are partners at Entourage Effect Capital.
- (2) Mr. Sturner participated in the offering through Orange Island Ventures, LLC.
- (3) Mr. Scott participated in the offering through Littlehorn Investments LLC.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

Management of the Corporation has nominated seven directors for election at the Meeting, namely, Matthew K. Hawkins (Chair), Tiffany Liff, Jonathon Roy Pottle, Marc Ravner, Edward M. Schmults, James E. Scott and Felicia Snyder. Each director elected will hold office until the next annual meeting of shareholders or until his or successor is duly elected or appointed pursuant to the by-laws of the Corporation. The enclosed form of proxy permits Shareholders to vote for each nominee on an individual basis.

The Board recommends that Shareholders vote FOR each of its nominees for director.

SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

Advance Notice Requirement

The Corporation’s By-Law No. 2 contains a requirement providing for advance notice of nominations of directors (the “**Advance Notice Requirement**”) in certain circumstances where nominations for election to the Board are made by Shareholders. For an annual meeting of Shareholders, notice to the Corporation must be provided not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th day following such public announcement. For a special meeting of Shareholders (that is not also an annual meeting), notice to the Corporation must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made. The Corporation’s By-Law No. 2 is available under the Corporation’s profile on SEDAR at www.sedar.com.

Director Nominee Profiles

The following tables set out certain information as of the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Shares owned by each director of the Corporation is presented to the best knowledge of management of the Corporation and has been furnished to management of the Corporation by such directors.

MATTHEW K. HAWKINS		Principal Occupation and Biographical Information	
Texas, United States Director Since: May 2019 Not Independent	Matthew Hawkins is the Founder and Managing Principal of Entourage Effect Capital, LLC (EEC), a private equity firm focused specifically on investing in the legalized cannabis industry. Since 2014, the firm has invested out of two co-investment vehicles and special purpose entities with over \$160 million in assets under management and is currently raising its third fund. Prior to founding EEC, he was a Partner and President of a real estate investment company which acquired REO and NPL from banks and financial institutions across the country. Prior to this, Matt was a Principal/Co-founder of San Jacinto Partners, a fund focused on the bulk acquisition of single-family residential assets and the Managing General Partner of Adjacent Capital, L.P., a private equity/specialty lending fund. He was earlier affiliated with Treadstone Partners, L.L.C., a distressed debt and equity fund. Matt is a graduate of The University of Texas at Austin.		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board Member of the GC&N Committee		None.	
Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾		30,239,787 ⁽³⁾	

Notes:

- (1) Mr. Hawkins was appointed to the Board on May 30, 2019.
- (2) Represents Shares, options, restricted share units and any other convertible securities, on a fully diluted basis.
- (3) Mr. Hawkins beneficially owns, or controls or directs, an aggregate of 25,906,437 Subordinate Voting Shares indirectly through CCP FLRISH, LLC, CCP, RARCOZ, LLC, CCP URBN LLC, Cresco Capital Partners II, LLC and Cresco Capital Partners, LLC. As at the date of this Circular, Mr. Hawkins also holds options exercisable into an aggregate of 333,000 Subordinate Voting Shares directly, restricted share units representing the right to receive up to 450,000 Subordinate Voting Shares directly and warrants exercisable into an aggregate of 3,550,000 Subordinate Voting Shares indirectly through Cresco Capital Partners II, LLC.

TIFFANY LIFF		Principal Occupation and Biographical Information	
Florida, United States Director Since: April 2022 Independent	Tiffany began her career as a commercial financial analyst in 1994 at NationsBank in Miami, Florida. In 1996, she transferred to Atlanta, Georgia into a leveraged finance role and eventually landed at Wachovia Bank, where she provided capital to private equity firms to support their acquisitions. During her tenure at Wachovia Bank from 2000 to 2007, Tiffany was responsible for originating, underwriting, syndicating and closing some of the largest leveraged loans in the distressed debt sector at the time. Tiffany's coverage of the M&A markets for private equity firms allowed her network to expand to large national and international syndicated transactions where she was responsible for closing over \$1 billion dollars in leveraged loans. In 2014, Tiffany founded her own firm, TPL Analytics, which specializes in real estate and cannabis investments on behalf of private equity, legal and high net worth professionals. Tiffany is responsible for all facets of the deal process, including the cultivation of deal flow, underwriting and deal closings on behalf of her network of investors. Over the last two years, along with real estate investing, Tiffany has focused on the cannabis industry; making several investments in the space and bringing capital to various institutions through her private equity and legal networks. Over the last three years, Tiffany has brought over \$20 million dollars of capital to eight different transactions in the cannabis space. In 2018, Tiffany joined Entourage Effect Capital as Head of Underwriting and Portfolio Management. Tiffany sits on the Company's Investment Committee and on various boards of the Company's portfolio companies. Tiffany attended Florida State University, where she obtained an academic scholarship and played as a student athlete. She graduated in 1993 with a B.S. in Finance.		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board Member of the Audit Committee Member of the Mergers and Acquisitions Committee		None.	
Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾		500,000 ⁽³⁾	

Notes:

- (1) Ms. Liff was appointed to the Board on April 4, 2022.
- (2) Represents Shares, options, restricted share units and any other convertible securities, on a fully diluted basis.
- (3) Ms. Liff holds restricted share units representing the right to receive up to 500,000 Subordinate Voting Shares upon satisfaction of certain vesting conditions.

JONATHON ROY POTTLE		Principal Occupation and Biographical Information	
Florida, United States Director Since: April 2022 Independent	Mr. Pottle is a seasoned business executive with over thirty-five years of experience in financing, acquiring and operating private and public companies. He is currently Chairman and Chief Executive Officer of American Messaging Services, LLC, a privately held wireless messaging company he co-founded in 2005 that provides critical messaging services throughout the United States. From February 1998 to November 2004 Mr. Pottle was Executive Vice President and Chief Financial Officer of Arch Wireless, Inc., a large publicly traded wireless messaging company and from October 1994 to February 1998, Mr. Pottle was Vice President and Treasurer of Jones Intercable, Inc., a publicly traded cable television company. Prior to October 1994, Mr. Pottle held a variety of senior positions in both Toronto and New York with the Bank of Nova Scotia where he managed a \$3.5 billion media and telecommunications portfolio. Mr. Pottle has served on the board of several public and private companies, most recently he was Chairman of the Board of Crosswinds Holdings, Inc, a publicly traded asset management company. Mr. Pottle holds both a Bachelor of Commerce and an MBA from Concordia University in Montreal, Quebec.		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board Member of the Audit Committee Member of the GC&N Committee		None.	

Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾	500,000 ⁽³⁾
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Notes:

- (1) Mr. Pottle was appointed to the Board on April 4, 2022.
- (2) Represents Shares, options, restricted share units and any other convertible securities, on a fully diluted basis.
- (3) Mr. Pottle holds restricted share units representing the right to receive up to 500,000 Subordinate Voting Shares upon satisfaction of certain vesting conditions.

MARC RAVNER		Principal Occupation and Biographical Information	
New York, United States Director Since: April 2022 Not Independent	Marc Ravner was a founding member of Loudpack and is currently the President of Integration of the Corporation. Marc began his professional career by transforming a legacy family parking business into a \$100 million real estate portfolio by introducing innovative management, capital markets knowledge, and making prudent acquisitions. Following that, Marc joined the leadership team of Magnum Real Estate Group, one of the fastest growing residential real estate development and management companies in New York City. At Magnum, Marc managed numerous multimillion-dollar development projects. Marc holds a Bachelor of Arts degree from Boston University and a Masters of Science in real estate development from New York University.		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board		None.	
Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾		400,000 ⁽³⁾	

Notes:

- (1) Mr. Ravner was appointed to the Board on April 4, 2022.
- (2) Represents Shares, options, restricted share units and any other convertible securities, on a fully diluted basis.
- (3) Mr. Ravner holds options exercisable into an aggregate of 200,000 Subordinate Voting Shares and restricted share units representing the right to receive up to 200,000 Subordinate Voting Shares upon satisfaction of certain vesting conditions.

EDWARD M. SCHMULTS		Principal Occupation and Biographical Information	
Rhode Island, United States Director and CEO Since: March 2022 Not Independent	Edward Schmults has more than 30 years of experience in global branded consumer products, omnichannel retail, product development, finance, operations, IT, and green and socially responsible businesses, including CEO roles at FAO Schwarz and Wild Things Gear, and COO roles at Patagonia and Red Envelope, where product quality and customer experience drive the brands' success. In addition, Ed has strong operational experience having set up and improved warehouse, logistics, and technology infrastructure at five different companies. Since 2018, Ed has utilized his extensive knowledge as the CEO of Calyx Peak Companies ("CPC"). In his role at CPC, he set the company vision and direction in multiple states. CPC oversaw licensed facilities for cultivation, manufacturing, and distribution in California; cultivation and manufacturing in Ohio; and cultivation in Nevada. Ed has spoken at numerous cannabis investor conferences as well as at MJBizCon, the cannabis industry annual trade show. Ed began his career in investment banking at Goldman, Sachs & Company. Ed is also on the board of Vera Bradley (Nasdaq: VRA) and Board of Advisors of First Insight, a predictive data analytics company. He is a former Vice Chairman of the Board of REI, the large national outdoor retail company. Ed holds an MBA from Harvard Business School and a BA in Economics and Political Science from Yale University.		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board		Vera Bradley (Nasdaq).	
Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾		8,500,000 ⁽³⁾	

Notes:

- (1) Mr. Schmults was appointed to the Board on March 1, 2022.
- (2) Represents Shares, options and any other convertible securities, on a fully diluted basis.
- (3) Mr. Schmults holds options exercisable into an aggregate of 7,000,000 Subordinate Voting Shares and restricted share units representing the right to receive up to 1,500,000 Subordinate Voting Shares upon satisfaction of certain vesting conditions.

JAMES E. SCOTT		Principal Occupation and Biographical Information	
Colorado, United States Director Since: November 2020 Independent	<p>Jim Scott is an entrepreneur and investor with a unique blend of transaction, operating and leadership experience and a passion for business. Since 1998, Jim has been the Managing Partner of Denver-based The Scott Company LLC, a boutique advisory firm and merchant bank. Throughout his career, Jim has completed successful transactions for clients of all sizes – from startup to multibillion dollars. Jim is also the Managing Partner of Littlehorn Investments, LLC, a Denver-based investment fund focused on investing in, or buying, lower market operating businesses. Jim is an Independent Director of Aduro Clean Technologies Inc. (CSE: ACT) and has served on the Board of several private companies, including Denver-based PaySimple Inc. and Recepra Naturals. He is a Past-President and Board Member of Entrepreneurs Organization (EO) Colorado. He served eight years on the Board of Trustees of the YMCA of Metropolitan Denver during which he was the Chair of the Finance Committee, a member of the Executive Committee and ultimately Vice Chairman. Jim also has extensive experience as an operator and leader as the President and CEO of two Denver-based companies: Qube Visual and Recepra Naturals. Jim began his career in investment banking in 1992 with Salomon Brothers Inc. in their domestic mergers and acquisitions group. He also worked for SBC Warburg in London in their global chemicals investment banking and M&A groups. Jim graduated Summa Cum Laude from Boston University School of Management in finance and operations management.</p>		
Current Board/Committee Membership⁽¹⁾		Other Public Board Memberships	
Member of the Board Member of the Audit Committee Member of the Mergers and Acquisitions Committee		Aduro Clean Technologies, Inc. (CSE)	
Number of Securities Beneficially Owned, Controlled or Directed⁽²⁾		970,000 ⁽³⁾	

Notes:

- (1) Mr. Scott was appointed to the Board on November 24, 2020.
- (2) Represents Shares, options and any other convertible securities, on a fully diluted basis.
- (3) Mr. Scott holds options exercisable into an aggregate of 150,000 Subordinate Voting Shares and restricted share units representing the right to receive up to 500,000 Subordinate Voting Shares upon satisfaction of certain vesting conditions. Mr. Scott also holds 160,000 Subordinate Voting Shares and warrants exercisable into an aggregate of 160,000 Subordinate Voting Shares indirectly through Littlehorn Investments LLC.

FELICIA SNYDER		Principal Occupation and Biographical Information	
Chicago, United States Director Since: N/A Independent	<p>Felicia Snyder is an entrepreneur, corporate strategist, seasoned cannabis executive and brand builder. She is presently Founder and co-CEO of Arcana, an experiential hospitality brand. Ms. Snyder was a Founding Executive at Tokyo Smoke, one of Canada’s most recognized cannabis brands and a leading Canadian cannabis retailer, where she helped scale the business through its merger with Doja Cannabis and eventual sale to Canopy Growth. Post-acquisition, she was Vice President at Canopy Growth, managing Canopy’s portfolio of premium cannabis brands across all product categories. Prior to Tokyo Smoke, she worked for several years in South Korea with Samsung Electronics in its Global Strategy Group and Smart TV Services Group where she oversaw a variety of projects related to business strategy, acquisitions, investments, partnerships, and development of new products and services. She was also a Senior Market Manager at Google and a Management Consultant at Oliver Wyman, a global consulting firm. She holds an MBA from The Wharton School at the University of Pennsylvania and earned her Bachelor of Commerce at McGill University where she graduated with Great Distinction.</p>		
Proposed Board/Committee Membership		Other Public Board Memberships	
Member of the Board Member of the GC&N Committee		SLANG Worldwide Inc. (CSE)	
Number of Securities Beneficially Owned, Controlled or Directed		Nil.	

Corporate Cease Trade Orders

Except as disclosed herein, to the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

On June 8, 2020, the Ontario Securities Commission (the “**OSC**”) issued a cease trade order (“**CTO**”) against the Corporation in connection with the Corporation’s refiling of certain historical financial statements of FLRish for the fiscal years ended December 31, 2017 and 2018 and the interim period ended March 31, 2019, and financial statements and related management’s discussion and analysis for the interim periods ended June 30, 2019 and September 30, 2019 due primarily to changes in the application of accounting treatments related to certain transactions by FLRish. On June 16, 2020, the OSC issued a management cease trade order (“**MCTO**”) against the Corporation in respect of the delayed filing of its Financial Statements and MD&A. The MCTO was subsequently revoked and, on July 15, 2020, the OSC issued a CTO against the Corporation in connection with the Corporation’s failure to file its Financial Statements and MD&A by the prescribed deadline. The CTOs were revoked on August 31, 2020. Mr. Hawkins was a director of the Corporation at the time the OSC issued the CTOs and the MCTO.

In August 2016, GPO, a limited liability company formed for the purpose of acquiring a parcel of real property and of which Marc Ravner was the sole manager, filed a petition was made for relief under Chapter 11 of the US Bankruptcy Code. The petition was filed to prevent the seller of the property from terminating the relevant purchase agreement, which allowed GPO to obtain an automatic extension of the time to satisfy the conditions precedent thereto and a forum in which to expedite judicial review and decision of various claims. The claims were settled as of November 2016 and the parties completed the real estate purchase in 2017, following which GPO exited bankruptcy protection.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;

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

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

2. Appointment of Auditor

On November 4, 2021, the Corporation announced that, following the recommendation of the Audit Committee and in anticipation of the Corporation's transition to domestic issuer status in the United States, the Corporation's Board had accepted the resignation of MNP LLP as the auditor of the Corporation effective October 26, 2021 and approved the appointment of Armanino LLP as successor auditor effective October 27, 2021.

Management proposes to nominate Armanino LLP as auditor of the Corporation to hold office until the next annual meeting of Shareholders. An affirmative vote of a majority of the votes cast at the Meeting is sufficient for the appointment of the auditor.

The Board recommends that Shareholders vote FOR the appointment of Armanino LLP as auditor of the Corporation.

SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF ARMANINO LLP, CHARTERED PROFESSIONAL ACCOUNTANTS, AS AUDITOR OF THE CORPORATION AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

3. Approval of Articles of Amendment

On March 31, 2022, the Corporation completed the mandatory conversion of all of its issued and outstanding Multiple Voting Shares to Subordinate Voting Shares (the "**Mandatory Conversion**"). As a result of the Mandatory Conversion, each holder of Multiple Voting Shares received 100 Subordinate Voting Shares for each Multiple Voting Share it previously held. In addition, all warrants previously exercisable into MVS are now exercisable into SVS. The Mandatory Conversion was approved at a special meeting of Shareholders held February 22, 2022.

As a result of the Mandatory Conversion, the Corporation expects that it will no longer meet the definition of "foreign private issuer" under U.S. securities laws and will be required to register under the Securities Exchange Act of 1934, as amended. Accordingly, the Corporation will eventually be subject to the U.S. Securities and Exchange Commission's ("**SEC**") reporting requirements applicable to U.S. domestic companies. The SEC's reporting requirements require, among other things, the Corporation's financial statements and financial data to be presented under U.S. GAAP.

As of the date of this Circular, there are no longer any Multiple Voting Shares issued and outstanding and the Corporation has no intention of issuing Multiple Voting Shares in the future. Management therefore

proposes to remove the Multiple Voting Shares from the authorized capital of the Corporation and to reclassify the Subordinate Voting Shares as “Common Shares”.

At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, a special resolution (the “**Articles Amendment Resolution**”), the full text of which is included below, approving certain amendments to the articles of the Corporation (the “**Articles**”), including the removal of the Multiple Voting Shares from the authorized capital of the Corporation and the reclassification of the Subordinate Voting Shares to “Common Shares”, by the filing of articles of amendment substantially in the draft form attached hereto as Schedule “C” (the “**Articles of Amendment**”).

The Board has unanimously approved the Articles of Amendment and recommends that Shareholders vote FOR the Articles Amendment Resolution. An affirmative vote of not less than 66 2/3 of the votes cast at the Meeting is sufficient to pass the resolution approving the Articles Amendment Resolution.

The complete text of the Articles Amendment Resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“BE IT RESOLVED AS A SPECIAL RESOLUTION:

1. the existing articles of Harborside Inc. (the “**Corporation**”) be and are hereby altered by deleting the existing articles in their entirety and adopting the Articles of Amendment set forth in Schedule “C” to the management information circular of the Corporation dated May 9, 2022 (the “**Articles of Amendment**”);
2. any director or officer of the Corporation is hereby authorized, for and on behalf and in the name of the Corporation, to execute and deliver, whether under corporate seal of the Corporation or otherwise, the Articles of Amendment to the Director appointed under the *Business Corporations Act* (Ontario), and all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing;
3. upon the Articles of Amendment having become effective in accordance with the provisions of the *Business Corporations Act* (Ontario), the articles of the Corporation are amended accordingly; and
4. notwithstanding the approval of the Articles of Amendment, the directors of the Corporation be and they are hereby authorized without further approval of the shareholders to revoke the Articles of Amendment before it is acted upon if the directors otherwise deem it to be in the best interests of the Corporation.”

The Board recommends that Shareholders vote FOR the Articles Amendment Resolution.

SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE ARTICLES AMENDMENT RESOLUTION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

Notwithstanding the approval of the Articles Amendment Resolution by Shareholders, the Board reserves the right to not proceed with the implementation of the Articles Amendment Resolution and filing of the

Articles of Amendment without further approval of the Shareholders in the event that the Board otherwise deems it to be in the best interests of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last completed financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com. Financial information is provided in the Corporation's Financial Statements and MD&A for the financial year ended December 31, 2021. In addition, copies of the Corporation's annual Financial Statements, MD&A and this Circular may be obtained upon request to the Corporation. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a shareholder of the Corporation.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to each director of the Corporation, to the auditor of the Corporation, to the Shareholders and to the appropriate governmental agencies, have been approved by the directors of the Corporation.

Dated: May 9, 2022.

“Matthew K. Hawkins”

Matthew K. Hawkins
Chairman and Director

SCHEDULE "A"
STATEMENT OF GOVERNANCE PRACTICES

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
Board of Directors	
1. Board of Directors—Disclose how the board of directors (the "Board") of Harborside Inc. (the "Corporation") facilitates its exercise of independent supervision over management, including (i) the identity of directors that are independent, and (ii) the identity of directors who are not independent, and the basis for that determination.	The proposed Board shall consist of seven directors, four of whom are considered "independent".
2. Directorships—If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Please refer to the accompanying management information circular dated May 9, 2022 (the "Circular") under the heading "Particulars of Matters to be Acted Upon - Election of Directors".
Orientation and Continuing Education	
3. Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.	Each director ultimately assumes responsibility for keeping himself or herself informed about the Corporation's business and relevant developments outside the Corporation that affect its business. Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board. Directors may also attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Corporation's business and developments in areas where they are not commonly exposed.
Ethical Business Conduct	
4. Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.	The Board is responsible for promoting an ethical business culture and fostering an environment that places an emphasis on compliance. The Board monitors compliance, including through receipt by the Audit Committee of reports of unethical behaviour. To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Corporation proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Nomination of Directors	
5. Disclose what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.	The Board is responsible for the identification and assessment of potential directors. While no formal nomination procedures are in place to identify new candidates, the Board does review the experience and performance of nominees for election to the Board. Members of the Board are canvassed with respect to the qualifications of a prospective candidate and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Board also assesses any potential conflicts, independence or time commitment concerns that the candidate may present.
Compensation	
6. Disclose what steps, if any, are taken to determine compensation for the directors and officers, including: (i) who determines compensation, and (ii) the process of determining compensation.	The process undertaken by the Board and the GC&N Committee in respect of compensation is more fully described in the “Compensation Discussion and Analysis” section of the accompanying Circular.
Other Board Committees	
7. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	The Board does not have any standing committees other than the GC&N Committee and the Audit Committee.
Assessments	
8. Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.	The Board is currently responsible for assessing the effectiveness of the Board, the individual directors and the Audit Committee.

SCHEDULE "B" AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every Canadian Securities Exchange (the “**Exchange**”) listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as an Exchange listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors of the Corporation (the “**Board**”) in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with the Instrument or any other such requirement of the Exchange, as applicable from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Corporation’s financial reporting;
- (b) assist the Board to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) ensure the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

“**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

“**audit services**” means the professional services rendered by the Corporation's external auditor for the audit and review of the Corporation’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the Audit Committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the

Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation;

“**financially literate**” has the meaning set forth in Section 1.2;

“**immediate family member**” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual’s home;

“**Instrument**” means National Instrument 52-110 – *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*; and

“**non-audit services**” means services other than audit services.

1.2 Meaning of Financially Literate

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

PART 2

2.1 Audit Committee

The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors and Other Parties

The Corporation will require its external auditor to report directly to the Committee and its Members shall ensure that such is the case.

Each Member shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives information, and the accuracy of the information provided to the Corporation by such other persons or organizations.

2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the Board of directors:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
 - (a) reviewing the audit plan with management and the external auditor;

- (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;
 - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;
 - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
 - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.
 4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.
 5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.
 6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
 7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
 8. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.
11. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Corporation's external auditors.

2.4 *De Minimis* Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent (5%) of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
- (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

12. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
13. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. A majority of the Members shall not be employees, Control Persons or executive officers of the Corporation or any affiliate of the Corporation.
4. If practicable, given the composition of the Board, every Member shall be financially literate.
5. If practicable, given the composition of the Board, every Member shall be independent.
6. The Board shall appoint or re-appoint the Members after each annual meeting of shareholders of the Corporation.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) engage independent legal counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the Board.

PART 5

5.1 Disclosure in Information Circular

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.
4. The quorum for meetings shall be a majority of the Members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and to hear each other. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.

6.2 Currency of this Charter

This Charter was last approved by the Board on April 4, 2022.

SCHEDULE "C"
ARTICLES OF AMENDMENT

(See attached)

Instructions

For questions or more information to complete this form, please refer to the instruction page.

Fields marked with an asterisk (*) are mandatory.

1. Corporation Information

Corporation Name *

[HARBORSIDE INC. / STATEHOUSE HOLDINGS INC.]

Ontario Corporation Number (OCN) *
1861925

Company Key *
000000000

Official Email Address *

2. Contact Information

Please provide the following information for the person we should contact regarding this filing. This person will receive official documents or notices and correspondence related to this filing. By proceeding with this filing, you are confirming that you have been duly authorized to do so.

First Name *

Middle Name

Last Name *

Telephone Country Code

Telephone Number *

Extension

Email Address *

3. Proposed New Corporation Name (if applicable)

Complete this section only if you are changing the corporation name

If you are changing the corporation name, you can either propose a new name or request a number name. If you propose a new name for the corporation, you need a Nuans report for the proposed name. If your corporation has a number name, you must not select the option for a number name, unless you are changing only the legal element.

Will this corporation have a number name? Yes No

4. Number of Director(s) (if applicable)

Complete this section only if you are changing the number of directors

Please specify the number of directors for your Corporation

Fixed Number

Minimum/Maximum

5. Shares and Provisions (if applicable) (Maximum limit is 100,000 characters per text box)

Complete this section only if you are amending the Shares and Provisions

Description of Changes to Classes of Shares

The corporation amends the Description of Classes of Shares as follows (please be specific):

Enter the Text

By decreasing the authorized capital of the Corporation by cancelling all of the Multiple Voting Shares of the

Corporation;

By changing the designation of the Subordinate Voting Shares, whether issued or unissued, to common shares;

After giving effect to the foregoing, by deleting paragraph 9 of the Articles of the Corporation in its entirety and replacing it with the following:

“The Corporation is authorized to issue an unlimited number of shares to be designated as common shares”.

Description of Changes to Rights, Privileges, Restrictions and Conditions

The corporation amends the Rights, Privileges, Restrictions and Conditions as follows (please be specific):

Enter the Text

By deleting the rights, privileges, restrictions and conditions set out in Paragraph 10 of the Articles of the Corporation in its entirety and replacing it with the following:

“1. Dividends

The holders of common shares shall be entitled to receive dividends and the Corporation shall pay dividends thereon, as and when declared by the board of directors of the Corporation out of moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine, and all dividends which the directors may declare on the common shares shall be declared and paid in equal amounts per share on all common shares at the time outstanding.

2. Dissolution

In the event of the dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the common shares shall be entitled to receive the remaining property and assets of the Corporation.

3. Voting Rights

The holders of the common shares shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and shall have one vote for each common share held at all meetings of the shareholders of the Corporation.”

Description of Changes to Restrictions on Share Transfers

The corporation amends the Restrictions on Share Transfers as follows (please be specific):

Enter the Text

Description of Changes to Restrictions on Business or Powers

The corporation amends the Restrictions on Business or Powers as follows (please be specific):

Enter the Text

Description of Changes to Other Provisions

The corporation amends the Other Provisions as follows (please be specific):

Enter the Text

6. Authorization

* I,

confirm that:

- This form has been signed by the required person.
- This amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.

The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on *

Requested Date for Amendment *

Caution - The Act sets out penalties, including fines, for submitting false or misleading information.

Required Signature

Name	Position	Signature
Edward M. Schmults	Chief Executive Officer	

Save Form

Print Form

Clear Form

