



NOTICE OF 2018 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT PROXY CIRCULAR

November 22, 2018

GOODFOOD MARKET CORP.

NOTICE OF 2018 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Montréal, Québec, November 22, 2018

Notice is hereby given that an annual and special meeting of shareholders (the “Meeting”) of Goodfood Market Corp. (the “Company”) will be held at the offices of Fasken Martineau DuMoulin LLP, at 800 Rue du Square-Victoria, Suite 3700, in Montréal, Québec, Canada, on Tuesday, January 15, 2019, at 11:00 a.m. (Montréal time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended August 31, 2018 and the auditor’s report thereon;
2. to elect directors;
3. to appoint auditors and authorize the directors to fix their remuneration;
4. to consider, and if deemed advisable, pass an ordinary resolution (i) authorizing the increase in the amount of Options, and shares issuable pursuant to the exercise of Options, available for issuance under the Stock Option Plan, and (ii) ratifying certain Option grants made pursuant to the Stock Option Plan which, upon being granted, would exceed the number of Options currently available for issuance under the Stock Option Plan prior to the Option Pool Increase, the whole as set forth in Annex C of this Management Proxy Circular; and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Management Proxy Circular and proxy form for the Meeting are enclosed with this Notice.

If you do not expect to be present at the Meeting in person, please complete, date and sign the accompanying proxy form and return it in the envelope enclosed or by fax or otherwise vote by the Internet by following the instructions on the accompanying proxy form.

Proxies submitted by mail, fax or Internet must be received by our transfer agent, TSX Trust, by 11:00 a.m. (Montréal time) on Friday, January 11, 2019. Shareholders who miss the Internet proxy return deadline may submit a paper or faxed proxy which must be received by the Corporate Secretary of the Company prior to the Meeting or any adjournment or postponement thereof.

Only persons shown on the register of shareholders at the close of business on Friday December 7, 2018, or their proxy holders, will be entitled to attend the Meeting and vote.

By order of the Board of Directors,

(s) Neil Cuggy

Neil Cuggy

President and Chief Operating Officer

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular is provided in relation to the solicitation of proxies by the management of Goodfood Market Corp. (“we”, “us”, “Goodfood” and the “Company”) for use at the annual and special meeting of shareholders (the “Meeting”) of the Company to be held on Tuesday, January 15, 2019 and at any adjournment or postponement thereof. Unless otherwise indicated, the information provided in this Management Proxy Circular is provided as of Thursday, November 22, 2018, and all currency amounts are shown in Canadian dollars.

PROXY MATTERS AND VOTING INFORMATION

Solicitation of Proxies

The solicitation of proxies will be made primarily by mail. Proxies may also be solicited by email, by telephone or in person. Employees, officers, directors or agents of the Company will solicit the proxies. The Company does not expect to pay any compensation for the solicitation of proxies and the Company will bear all expenses in connection with the solicitation of proxies. The Company has not retained the services of any third party to solicit proxies. Should it decide to do so, the fees payable to the proxy solicitor are expected to be nominal.

Appointment and Revocation of Proxyholders

The persons whose appointment to act under the proxy form solicited by the management of the Company are directors of the Company. **Every shareholder has the right to appoint some other person or company of their choice (who need not be a shareholder) to attend and act on their behalf at the Meeting, or any adjournment or postponement thereof, and may do so by inserting such other proxyholder’s name in the blank space provided for that purpose in the proxy form.** The proxy form or Internet voting are the only voting options for shareholders who wish to appoint a person as proxy other than the nominees named on the proxy form.

A proxy may be revoked at any time by the person giving it to the extent that it has not yet been exercised. A proxy may be revoked by filing a written notice with the Corporate Secretary of the Company at any time up to and including the last day preceding the day of the Meeting, or any adjournment or postponement thereof. The powers of the proxyholders may also be revoked if the shareholder attends the Meeting in person and so requests.

The persons whose names are printed on the proxy form will vote all the shares in respect of which they are appointed to act in accordance with the instructions given on the proxy form. **In the absence of a specified choice in relation to any matter to be voted on at the Meeting, or if more than one choice is indicated, the shares represented by the proxy form will be voted FOR the matter in question.**

Every proxy given to any person in the proxy form that accompanies the Notice of Meeting will confer discretionary authority with respect to amendments or variations to the items of business identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting.

Notice and Access

The Company has elected not to use the notice and access procedures under applicable securities legislation to send the proxy related materials to registered shareholders and beneficial owners of the Company's common shares (the "Common Shares").

Voting Procedures

Registered Shareholders

You are a "registered shareholder" if you have a share certificate or Direct Registration System (DRS) advice issued in your name and as a result, have your name shown on Goodfood's register of shareholders kept by our transfer agent, TSX Trust.

If you are a registered shareholder, you can vote your shares by attending the Meeting in person by appointing someone else as proxyholder to attend the Meeting and vote your Common Shares for you, by completing your proxy form and returning it by mail, hand or fax delivery in accordance with the instructions set forth therein, or by Internet by visiting the website shown on your proxy form (refer to your control number shown on your proxy form) and following the online voting instructions.

Non-Registered Shareholders (Beneficial Owners)

You are a "non-registered shareholder" or "beneficial owner" if your shares are held on your behalf through an intermediary or nominee (for example, a bank, trust company, securities broker, clearing agency or other institution).

Under applicable securities legislation, a beneficial owner of securities is a "non-objecting beneficial owner" (or "NOBO") if such beneficial owner has or is deemed to have provided instructions to the intermediary holding the securities on such beneficial owner's behalf not objecting to the intermediary disclosing ownership information about the beneficial owner in accordance with said legislation, and a beneficial owner is an "objecting beneficial owner" (or "OBO") if such beneficial owner has or is deemed to have provided instructions objecting to same.

If you are a NOBO, the Company has sent these materials directly to you, and your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities legislation from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. The voting instruction form that is sent to NOBOs contains an explanation as to how you can exercise the voting rights attached to your Common Shares, including how to attend and vote directly at the Meeting. Please provide your voting instructions as specified in the enclosed voting instruction form.

If you are an OBO, you received these materials from your intermediary or its agent (such as Broadridge), and your intermediary is required to seek your instructions as to the manner in which to exercise the voting rights attached to your Common Shares. The Company has agreed

to pay for intermediaries to deliver to OBOs the proxy-related materials and the relevant voting instruction form. The voting instruction form that is sent to an OBO by the intermediary or its agent should contain an explanation as to how you can exercise the voting rights attached to your Common Shares, including how to attend and vote directly at the Meeting. Please provide your voting instructions to your intermediary as specified in the enclosed voting instruction form.

Voting Shares

Each holder of Common Shares is entitled to one vote per share. As at November 22, 2018, 51,825,245 Common Shares were issued and outstanding. Only persons shown on the register of Common Shares at the close of business on Friday, December 7, 2018 (the “Record Date”), or their proxyholders, will be entitled to attend the Meeting and vote.

Proxies submitted by mail or Internet must be received by TSX Trust by 11:00 a.m. (Montréal time) on Friday, January 11, 2019. Shareholders who miss the Internet proxy return deadline may submit a paper proxy which must be received by the Corporate Secretary of the Company prior to the Meeting or any adjournment or postponement thereof. Note that if you are an OBO, your intermediary will need your voting instructions sufficiently in advance of this deadline to enable your intermediary to act on your instructions prior to the deadline. See “Voting Procedures - Non-Registered Shareholders (Beneficial Owners)”.

Principal Shareholders

The following table shows the names of the persons who, as of November 22, 2018, to our knowledge, beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of our voting securities:

Name of Shareholder	Number of Common Shares	% of Total Voting Rights
Jonathan Ferrari ⁽¹⁾	11,397,565 ⁽²⁾	21.99%
Neil Cuggy ⁽³⁾	11,397,565 ⁽⁴⁾	21.99%
Hamnett Hill ⁽⁵⁾	8,033,571 ⁽⁶⁾	15.50%

(1) Jonathan Ferrari is the Chairman and Chief Executive Officer of the Company.

(2) Beneficially owned by Jonathan Ferrari, of which 1,397,565 Common Shares are held of record by him and 10,000,000 Common Shares are held of record by 10259209 Canada Inc., Mr. Ferrari exercises control over the Common Shares held by 10259209 Canada Inc.

(3) Neil Cuggy is the President and Chief Operating Officer of the Company.

(4) Beneficially owned by Neil Cuggy, of which 1,397,565 Common Shares are held of record by him and 10,000,000 Common Shares are held of record by 10259136 Canada Inc., Mr. Cuggy exercises control over the Common Shares held by 10259136 Canada Inc.

(5) Hamnett Hill is a director of the Company.

(6) 8,033,571 Common Shares held of record by ed6 Capital Inc., Mr. Hill exercises control over the Common Shares held by ed6 Capital Inc.

BUSINESS TO BE TRANSACTED AT THE MEETING

The following items of business will be presented to the shareholders at the Meeting:

1. Presentation of the Audited Financial Statements

The audited financial statements of the Company for the fiscal year ended August 31, 2018 (“Fiscal 2018”) and the auditor’s report thereon will be presented at the Meeting but will not be subject to a vote.

2. Election of Directors

Five directors are to be elected to hold office until the close of the next annual meeting of shareholders or until their successor is elected or appointed. Each of the persons presented under “Proposed Nominees for Election as Directors” in this Management Proxy Circular is proposed to be nominated as a director of the Company and each nominee has agreed to serve as a director if elected.

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the election as directors of the five persons nominated in this Management Proxy Circular unless shareholders direct otherwise.

3. Appointment of Auditors

The Board of Directors recommends that KPMG LLP, Chartered Professional Accountants, be appointed as the auditors of the Company to hold office until the next annual meeting of shareholders or until their successors are appointed. KPMG LLP were first appointed as auditors to Goodfood Market Inc., the Company’s predecessor on March 18, 2017 and became the auditors of the Company effective following the close of Goodfood Market Inc.’s reverse take-over of Mira VII Acquisition Corp. on June 1, 2017 (the “RTO”).

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the appointment of KPMG LLP as auditors and to vote to authorize the directors to fix the remuneration of the auditors unless shareholders direct otherwise.

4. Option Plan Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass a resolution in the form annexed as Annex C to this Management Proxy Circular (the “Option Plan Ordinary Resolution”), authorizing (i) the increase in the number of Options, and the number of shares issuable pursuant to the exercise of Options, available for issuance under the Stock Option Plan from 5% to 7.5% of the Company’s issued and outstanding Common Shares (the “Option Pool Increase”), and (ii) ratifying the Option grants made to 28 employees of the Company (none of whom are insiders of the Company), expiring on December 4, 2026 and representing a total of 316,222 Options which, upon being granted on December 4, 2018 at a strike price equal to the closing price of the Common Shares on the TSX on December 3, 2018, would exceed the number of Options currently available for issuance under the Stock Option Plan prior to the

Option Pool Increase (the “Option Grant Ratification”). To be adopted, the Option Plan Ordinary Resolution must be approved by a majority of the votes cast by the Shareholders present at the meeting or represented by proxy.

The Stock Option Plan is intended to attract and retain personnel and to provide an incentive to participate in the long-term development of the Company. As a result of the growth of the Company and the increasing need to attract and retain personnel, only 92,515 Common Shares remain available for issuance under the Stock Option Plan as of November 22, 2018 (excluding the Options subject to the Option Grant Ratification). The Board of Directors considers the proposed amendment and the Option Grant Ratification as a way of ensuring that the Board of Directors continues to have the flexibility to grant options pursuant to the Stock Option Plan as required in order to serve the purposes referenced above.

The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the confirmation and approval of Option Pool Increase and the Option Grant Ratification, the whole as set forth in the resolution annexed as Annex C to this Management Proxy Circular unless shareholders direct otherwise.

If the resolution is not passed at the Meeting, (i) the Option Pool Increase will not occur and the number of Options, and the number of shares issuable pursuant to the exercise of Option, available for issuance under the Stock Option Plan will remain at 5% of the Company’s issued and outstanding Common Shares, and (ii) the Options subject to the Option Grant Ratification will be cancelled.

5. Other Business to be Transacted at the Meeting

Management of the Company is not aware of any matter to be submitted at the Meeting other than the matters set forth in the Notice of Meeting.

PROPOSED NOMINEES FOR ELECTION AS DIRECTORS

Information on Proposed Nominees

The persons whose names are printed in the proxy form intend to vote FOR the election as directors of each of the proposed nominees set forth below. Each such candidate was proposed based on the recommendation of the Governance, Human Resources and Compensation Committee (the “GHRC Committee”) and for election as a director. Each director elected will hold office until the next annual meeting of shareholders or until that director’s successor is duly elected or appointed, unless the office is earlier vacated. By filling in the proxy form, shareholders may vote for all directors or choose to withhold their vote from some or all of the directors proposed for election.

We have adopted a Majority Voting Policy whereby proxy forms for shareholders’ meetings at which directors are to be elected will enable the shareholder to vote for or to withhold from voting for each individual nominee. If, with respect to any particular nominee, the number of votes withheld exceeds the number of votes for the nominee, then, for the purpose of this policy, the nominee will be considered not to have received the confidence and support of the shareholders, even though duly elected as a matter of corporate law. A person elected as a

director who is considered for the purpose of this policy not to have received the confidence and support of the shareholders is required to immediately tender his or her resignation as a director, to be effective on acceptance by the Board of Directors. The Board of Directors will consider the tendered resignation and disclose by news release its decision whether or not to accept that resignation and the reasons for its decision no later than 90 days after the date of the relevant shareholders' meeting. The Board of Directors will accept the tendered resignation, absent exceptional circumstances. In considering whether or not to accept the tendered resignation, the Board of Directors will consider all factors that it deems in its discretion to be relevant, including, without limitation, any stated reasons why shareholders withheld votes for election of such director, the length of service and qualifications of the director whose resignation has been tendered, the director's contribution to the Company and the Company's corporate governance policies.

The tables below identify each of the proposed nominees; their principal occupation; their province or state, and country of residence; their age; the year when the person first became a director of the Company; whether the candidate has been determined by the Board of Directors to be independent of, or related to, the Company; their Board of Directors and Committee memberships and attendance record; other public company board memberships; the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, the number of stock options ("Options") of the Company (see "Executive Compensation - Stock Option Plan"), with all such securities ownership information provided by each of the candidates as at November 22, 2018; and whether the candidate complies with the Company's share ownership guidelines.

JONATHAN FERRARI



Mr. Ferrari is Co-Founder and Chief Executive Officer of Goodfood. After graduating with honors from McGill University, Mr. Ferrari joined RBC's investment banking team in Montréal in 2010, advising retailers on mergers and acquisitions, capital raises and strategic partnerships. He co-founded MTL Capital LLC in 2013, a privately held entrepreneurial investment firm and in 2014 he co-founded Goodfood. In 2017, Mr. Ferrari was named one of Canada's Top 40 Under 40. This national award celebrates the exceptional achievements of Canadians in leadership, innovation and community involvement. In 2018, Mr. Ferrari was named EY young entrepreneur of the year. Mr. Ferrari is a Montréal native.

Québec, Canada Age: 30 Director since: 2017 2018 votes for: 99.997% Not Independent	Board/Committee Membership	Attendance Record for Fiscal 2018		Other Public Company Board Memberships
	Board of Directors (Chairman)	8 of 8	100%	-
Securities Held				
As at	Common Shares	Total Market Value of Securities	Meets Share Ownership Target	
Nov. 22, 2018	11,397,565 ⁽¹⁾	\$32,483,060	Yes	
Options Held				
Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)	
June 1, 2017	50,000	\$2.00	50,000	
August 23, 2017	128,205	\$1.56	128,205	
September 1, 2018	500,000	\$2.55	500,000	

(1) 1,397,565 Common Shares held beneficially and of record by Jonathan Ferrari and 10,000,000 Common Shares held of record by 10259209 Canada Inc., Mr. Ferrari exercises control over the Common Shares held by 10259209 Canada Inc.

NEIL CUGGY



Mr. Cuggy is Co-Founder, President and Chief Operating Officer of Goodfood. Mr. Cuggy's previous experience includes co-founding in 2013 and leading an entrepreneurial investment firm called MTL Capital LLC, a privately held entrepreneurial investment firm, and in 2014, he co-founded Goodfood. Before founding MTL Capital and Goodfood, Mr. Cuggy worked in the Investment Banking division of RBC Capital Markets from 2010 to 2012 where he worked on multiple mergers and acquisitions, equity financings and debt financings. He is a Montréal native who comes from a long line of entrepreneurs. In 2018, Mr. Cuggy was named EY young entrepreneur of the year and he graduated first class honors with distinction from McGill University where he received a Bachelor of Commerce degree in Investment Management.

Québec, Canada Age: 30 Director since: 2017 2018 votes for: 99.997% Not Independent	Board/Committee Membership		Attendance Record for Fiscal 2018		Other Public Company Board Memberships
	Board of Directors		8 of 8	100%	-
Securities Held					
As at	Common Shares		Total Market Value of Securities	Meets Share Ownership Target	
Nov. 22, 2018	11,397,565 ⁽¹⁾		\$32,483,060	Yes	
Options Held					
Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)		
June 1, 2017	50,000	\$2.00	50,000		
August 23, 2017	128,205	\$1.56	128,205		
September 1, 2018	500,000	\$2.55	500,000		

(1) 1,397,565 Common Shares held beneficially and of record by Neil Cuggy and 10,000,000 Common Shares held of record by 10259136 Canada Inc., Mr. Cuggy exercises control over the Common Shares held by 10259136 Canada Inc.

HAMNETT HILL					
	<p>Hamnett Hill is a director of Goodfood Market Corp. and has spent 25 years building and leading companies that make technology work for everyday consumers. As co-founder and Chief Executive Officer of Smooch, Mr. Hill is working to humanize the relationships between businesses and consumers by bringing the power of B2C messaging to businesses and software vendors, making it easy for consumers to have rich messaging conversations with companies from wherever they are. Mr. Hill is also an active technology angel investor, with investments in companies such as BlockStream, AppDirect and MixGenius (Landr.com). He is a director of Humanitarian U, an online university that prepares first responders for humanitarian disasters around the world, in concert with partners such as the World Health Organization. Engaging his passion for food and food systems, Mr. Hill is the founder and principal of edō Capital, a private equity firm for early-stage, innovative food businesses and technologies that contribute to a healthier and more sustainable future. He is also Chairman of the edō Foundation, a charitable organization devoted to increasing awareness and education about sustainable food issues. Mr. Hill's companies and teams have been honored with numerous awards, including the Profit 100 Fastest Growing Canadian Companies, Canada's 50 Best Managed Companies, Canada's Top 100 Employers, Canada's Top 40 Under 40, and Ernst & Young Entrepreneur of the Year, among others.</p>				
	Québec, Canada Age: 47 Director since: 2017 2018 votes for: 99.997% Independent	Board/Committee Membership	Attendance Record for Fiscal 2018		Other Public Company Board Memberships
		Board of Directors	8 of 8	100%	-
		Audit Committee	4 of 4	100%	
	GHRC Committee	2 of 2	100%		
Securities Held					
As at	Common Shares		Total Market Value of Securities	Meets Share Ownership Target	
Nov. 22, 2018	8,033,571 ⁽¹⁾		\$22,895,677	Yes	
Options Held					
Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)		
August 23, 2017	25,000	\$1.56	25,000		
September 1, 2018	25,000	\$2.55	25,000		

(1) 8,033,571 Common Shares held of record by edō Capital Inc., Mr. Hill exercises control over the Common Shares held by edō Capital Inc.

GUY LEBLANC



Guy LeBlanc is a director of Goodfood Market Corp. and a Chartered Professional Accountant. He worked for over 35 years at PricewaterhouseCoopers LLP, a corporation specializing in certification, tax, consulting and transaction services. He acted as managing partner of the Montréal office from 2006 to 2015, and managing partner of the Transaction group in Canada from 2002 to 2006. Prior to 2002, he worked for the Audit and Certification and Consulting and Transaction groups of PwC. Mr. LeBlanc is a director of Atis Group, Meloche Group and The Lion Electric Co. and was a director for TSX-listed Canam Group Inc. until its privatization in June 2017. He is a member of the Ordre des comptables professionnels agréés du Québec and has obtained the title of Fellow (FCPA). He also holds the ICD.D accreditation from the Institute of Corporate Governance.

Québec, Canada Age: 62 Director since: 2017 2018 votes for: 99.997% Independent	Board/Committee Membership		Attendance Record for Fiscal 2018		Other Public Company Board Memberships
	Board of Directors		8 of 8	100%	
	Audit Committee (Chair)		4 of 4	100%	
	GHRC Committee		2 of 2	100%	
Securities Held					
As at	Common Shares			Total Market Value of Securities	Meets Share Ownership Target
Nov. 22, 2018	60,000			\$171,000	No
Options Held					
Date Granted	Number (#)	Exercise Price (\$)		Total Unexercised (#)	
August 23, 2017	25,000	\$1.56		25,000	
September 1, 2018	25,000	\$2.55		25,000	

DONALD OLDS				
		Donald Olds is a director of Goodfood Market Corp. and the President and Chief Executive Officer of the NEOMED Institute since January 2017. Prior to joining the NEOMED Institute he was the Chief Operating Officer of Telesta Therapeutics Inc. a TSX-listed biotechnology company from 2014 to 2016, where he was responsible for finance and investor relations, manufacturing operations, business development, human resources and strategy. In October 2016, he led the process that resulted in the successful sale of Telesta to a larger public biotechnology company. Prior to Telesta, he was President and Chief Executive Officer of Presagia Corp., a private software development company from 2011 to 2013. Before joining Presagia, he worked for almost 9 years as Chief Financial Officer and Chief Operating Officer of Aegera Therapeutics. Prior to Aegera, Mr. Olds was Chief Financial Officer of Mediatrix Telecom from 2000 to 2002 and led the technology investment banking practice of TD Securities in Québec from 1997 to 2002. Mr. Olds is currently Chairman of Oxfam Québec and a director of both Acasti Pharma Inc. and Presagia Corp. and has extensive past corporate governance experience serving on the boards of private and public for-profit and not-for-profit organizations. He holds an MBA (Finance & Strategy) and M.Sc. (Renewable Resources) from McGill University.		
Québec, Canada Age: 58 Director since: 2017 2018 votes for: 99.997% Independent	Board/Committee Membership	Attendance Record for Fiscal 2018		Other Public Company Board Memberships
	Board of Directors (Lead Director)	8 of 8	100%	Acasti Pharma Inc.
	Audit Committee	4 of 4	100%	
	GHRC Committee (Chair)	2 of 2	100%	
Securities Held				
As at	Common Shares		Total Market Value of Securities	Meets Share Ownership Target
Nov. 22, 2018	57,735 ⁽¹⁾		\$164,545	No
Options Held				
Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)	
August 23, 2017	25,000	\$1.56	25,000	
September 1, 2018	25,000	\$2.55	25,000	

(1) 47,500 Common Shares held beneficially and of record by Donald Olds, 9,795 Common Shares held beneficially and of record by Ofra Aslan, and 440 Common Shares held beneficially and of record by Simone Aslan.

Corporate Cease Trade Orders

None of the nominees for election is, as at the date of this Management Proxy Circular, or has been, within the ten years prior to the date of this Management Proxy Circular, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity), was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case, for a period of more than 30 consecutive days.

Bankruptcies

None of the nominees for election to the Board of Directors is, as at the date of this Management Proxy Circular, or has been, within the ten years prior to the date of this Management Proxy Circular, a director or executive officer of any company 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.

None of the nominees for election to the Board of Directors has, within the ten years prior to the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or comprise with creditors, or had a receiver, receiver manager or trustee appointed to hold such director's assets.

Penalties or Sanctions

None of the nominees for election to the Board of Directors 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

EXECUTIVE COMPENSATION

The following section describes the significant elements of Goodfood's executive compensation program, with particular emphasis on the process for determining compensation payable to its executive officers whose total compensation was, individually, more than \$150,000 (collectively, the "Named Executive Officers" or "NEOs"). The NEOs of Goodfood are:

- Jonathan Ferrari, Chairman and Chief Executive Officer;
- Neil Cuggy, President and Chief Operating Officer; and
- Philippe St-Cyr Adam, Chief Financial Officer.

Overview and GHRC Committee

The GHRC Committee is currently comprised of Hamnett Hill, Guy LeBlanc and Donald Olds, all of whom are independent within the meaning of National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101"). Mr. Olds is the chair of the GHRC Committee.

All members of the GHRC Committee have a working familiarity with corporate governance, human resources and compensation matters. For the skills and experience of each member and proposed member of the GHRC Committee relevant to the performance of his or her duties as a member of the GHRC Committee, see "Proposed Nominees for Election as Directors - Information on Proposed Nominees".

The Board of Directors has adopted a written charter for the GHRC Committee that establishes, inter alia, the GHRC Committee's purpose and responsibilities with respect to executive compensation. Within the purview of its mandate, the GHRC Committee shall, amongst other things:

- consider and recommend for approval by the Board: (i) the appointment of the President, the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer and all other executive officers of the Company (the "Executive

Officers”); and (ii) a succession plan with respect to each Executive Officer, as may be required;

- review the Chief Executive Officer’s and President’s assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession of each Executive Officer and to report on this matter to the Board of Directors;
- review and assess the performance of the Executive Officers against pre-set specific corporate and individual goals and objectives approved by the GHRC Committee;
- review the annual performance assessments of the Executive Officers and report annually to the Board of Directors on these assessments;
- oversee and recommend for approval by the Board of Directors the executive compensation principles, policies, programs, grants of equity-based incentives and processes based on the principles that compensation should, to a significant extent, be reflective of the financial performance of the Company while rewarding the achievement of the Company’s short and long term objectives, and to specifically consider and recommend annually or as required for approval by the independent directors of the Board of Directors all forms of compensation for the Executive Officers;
- review the compensation discussion and analysis and related executive compensation disclosure for inclusion in the Company’s public disclosure documents, in accordance with applicable rules and regulations;
- oversee the implementation and administration of benefit plans and review any proposed major changes in benefit plans and recommend for approval any change requiring Board of Directors action;
- review, monitor, report, and where appropriate, provide recommendations to the Board of Directors on the Company’s exposure to risks related to executive compensation policies and practices, if any, and identify compensation policies and practices that mitigate any such risk; and
- review periodically the Company’s policies with regards to disclosure, trading of securities, ethical, environmental and health and safety matters and taking steps to resolve issues of compliance with respect to the members of the Board of Directors and the Executive Officers.

The GHRC Committee has the authority to engage outside counsel or other outside advisors as it deems appropriate to assist the GHRC Committee in the performance of its functions.

Historically, the Board of Directors of the Company, or its predecessor, had approved the compensation of the NEOs. In anticipation of Goodfood becoming a public company, the Board of Directors adopted certain changes to the existing executive compensation regime and

severance pay practices and on June 1, 2017, following the closing of the RTO, the newly constituted Board of Directors established the GHRC Committee. Throughout the course of the summer and fall of 2017, the Board, upon the recommendation from the GHRC Committee, approved amended and restated employment agreements for the executive officers and adopted stock ownership guidelines.

The NEO compensation for Fiscal 2018 is summarized hereinafter under the subheading “Summary Compensation Table”. The Compensation of the NEOs is based on the factors described hereinafter.

Compensation Discussion and Analysis

Compensation Objectives and Philosophy

Our executive compensation program is designed to attract, retain, motivate and reward the executive officers for their performance and contribution to Goodfood’s long-term success. The objective of the program is to focus Goodfood’s executive officers on the key business factors that affect shareholder value and to align their compensation with Goodfood’s business and financial objectives and the long-term interests of Goodfood’s shareholders. These goals may include the achievement of specific operational or business development goals. Following the RTO, the Company’s bonus component to its short-term incentive structure became largely contingent on the Company attaining or exceeding objectives for increasing the size of its subscription base. Despite the changes adopted by the Board of Directors for the year ended August 31, 2019 (“Fiscal 2019”), this policy continued to apply through Fiscal 2018. The Company’s philosophy is to pay fair, reasonable and competitive compensation with an equity-based component in order to align the interest of the Company’s executive officers with those of its shareholders.

Market Positioning and Benchmarking

The process for determining executive compensation is relatively informal, in view of the size and stage of the Company and its operations. NEOs are involved in the process and make recommendations to the GHRC Committee, which considers and makes recommendations to the Board of Directors. The Board of Directors and the GHRC Committee considered the compensation of Invescor Restaurant Group Inc., GreenSpace Brands Inc., Lumenpulse Group Inc., and AlarmForce Industries Inc. on an informal basis in order to establish each NEOs’ compensation for Goodfood’s first full year as a public company. Such companies were selected for review due to their early development stage or on the basis of food or beverage retail operations.

On August 14, 2018, the Board of Directors, upon recommendation of the GHRC Committee, adopted new guidelines for determining the comparator group for considering the compensation of the NEOs applicable as of Fiscal 2019. Companies included in the comparator group meet one or more of the following criteria: (i) have a \$150 million to \$250 million market cap; (ii) be high-growth and publicly listed; (iii) operate in a comparable industry.

The companies in the comparator group for Fiscal 2019 meet at least two of the foregoing criteria, and are listed below:

- Freshii Inc.
- Brookfield Real Estate Service Inc.
- DavidsTea Inc.
- MTY Food Group Inc.
- Recipe Unlimited Corporation
(formerly CARA Operations Limited)
- Optiva Inc.
- Black Diamond Group Limited
- Trisura Group Ltd.
- Mediagrif Interactive Technologies Inc.
- Viemed Healthcare, Inc.
- HelloFresh SE
- Blue Apron Holdings, Inc.

As the Company continues to grow, the Board of Directors and the GHRC Committee intend to revisit this group and to further elaborate on the NEO compensation regime.

Except as otherwise described below in relation to the subscriber growth objectives for Fiscal 2018, the Company did not maintain specific performance goals or use benchmarks in determining the compensation of executive officers. For Fiscal 2019, the Board of Directors, upon recommendation from the GHRC Committee, has established additional performance goals and benchmarks for the NEOs compensation as discussed below.

Elements of Compensation

The Company's compensation program consists primarily of the following elements: base salary, short-term incentive and long-term incentive, as well as customary benefit programs.

The following table summarizes the market positioning for each element of the Company's compensation program and in aggregate on a total compensation basis:

Compensation Element	Performance Criteria	Performance Outcome
Base salary	Individual contribution and competencies and prior relevant experience	Salary increase and position within the salary structure
Short-term incentive	Individual contribution and net new subscriber growth	Cash payment
Long-term incentive	Time vesting and individual performance	Ultimate payout of grant and size of annual grant of Options
Benefits	Not applicable	Not applicable

Base Salary

Base salaries for NEOs are established based on the scope of their responsibilities, competencies and their prior relevant experience, taking into account compensation paid in the market for similar positions. Base salary is not contingent on short-term variation in operating performance, and therefore sustains individual performance and competency development.

Base salaries are reviewed annually and may be increased for merit reasons, based on the NEO's success in meeting or exceeding corporate or individual objectives. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive's role or responsibilities, as well as for market competitiveness.

Short-Term Incentive

Our compensation program includes eligibility for annual cash bonuses for each of our NEOs. The target amounts for which NEOs are entitled under the annual bonus plan are approved by the Board of Directors, upon recommendation of the GHRC Committee.

Following the completion of the RTO, the Board of Directors adopted a compensation program which provides the NEOs with the opportunity to earn an annual cash bonus based on the achievement of certain targets set by the Board of Directors. From the completion of the RTO until the end of the fiscal year ending August 31, 2018, the bonus target for Jonathan Ferrari and Neil Cuggy was a multiple tied to growth in net new subscribers, while in the case of Philippe St-Cyr Adam, was tied to achieving certain onboarding objectives. Each NEO has the opportunity to earn a bonus varying from between 30% and 50% of such NEO's annual base salary.

For the portion of any NEO cash bonuses tied to growth in net new subscribers, the applicable bonus is calculated on a monthly basis, with up to $\frac{1}{12}$ th of the total bonus amount being available per month. With respect to such bonuses, each month, the Company determines its net new subscribers, and uses this value, to calculate the portion of the annual bonus that is payable to them (if any). The bonus amount, payable monthly until February 28, 2018 and quarterly thereafter, is calculated pro rata based on the proportion of the net subscriber growth target achieved in the month, with a maximum of 100% of the monthly bonus being payable. No bonus is payable if there is no new net subscriber growth and 100% of the monthly bonus being payable if 10% or more net new subscriber growth is achieved.

Effective as of the fiscal year ending August 31, 2019, the Board of Directors, upon recommendation of the GHRC Committee, increased the opportunity to earn a bonus of up to 100% of such NEO's annual base salary and adopted new performance goals with respect to the payment of bonuses. The Company's Fiscal 2019 performance goals will be based 75% upon the achievement of certain sales and gross profits targets and 25% upon the achievement of certain human resources, sustainability and product offering objectives.

The Board of Directors reviews the target percentage annually at the beginning of each fiscal year, it being understood that the value of such target percentage shall be at least equal to the value of the target percentage established for the previous fiscal year.

The Board of Directors maintains discretion at all times to grant discretionary bonuses or commissions, including in the context of acquisitions, to modify, amend or terminate short term incentive plans at all times, and to deviate from the plans or grant individual exceptions.

Long-Term Incentive

Equity-based awards are a variable element of compensation that allows us to incentivize and retain our NEOs for their sustained contributions to the Company. Equity awards reward performance and continued employment by a NEO, with associated benefits to us of attracting and retaining employees. We believe that Options, provide NEOs with a strong link to long-term corporate performance and the creation of shareholder value. The GHRC Committee determines the grant size and terms to be recommended to the Board of Directors.

For the fiscal year ending August 31, 2018, each of Jonathan Ferrari and Neil Cuggy were entitled to receive Options, the number of which is based on 100% of their respective base salaries divided by the closing price of the Common Shares on the day preceding the grant. This Option grant was made on August 23, 2017, with a grant of 128,205 Options being made to each of Messrs. Ferrari and Cuggy at an exercise price of \$1.56 per Option. In addition, Philippe St-Cyr Adam received, upon the signing of his employment agreement with the Company, a one-time grant of 300,000 Options at an exercise price of \$2.71 per Option.

On August 23, 2018, the Board amended the long-term incentive conditions for Messrs. Ferrari and Cuggy, replacing future annual Option grants with a single Option grant, vesting over four years. On September 1, 2018, a one-time grant of 500,000 Options was made to each of Messrs. Ferrari and Cuggy at an exercise price of \$2.55 per Option. Such Options shall vest over a four year period. After this four year period, the Board of Directors will consider future Option grants to Jonathan Ferrari and Neil Cuggy.

Benefits

The Company offers certain benefits to its office employees, including its NEOs, as part of a group insurance plan. Certain benefits increase in proportion with salary and scope of responsibilities.

Perquisites

The Company offers a car allowance to each of Jonathan Ferrari and Neil Cuggy. Each of the NEOs also receives the reimbursement of certain business expenses reasonably incurred in the performance of their functions. Such amounts are nominal.

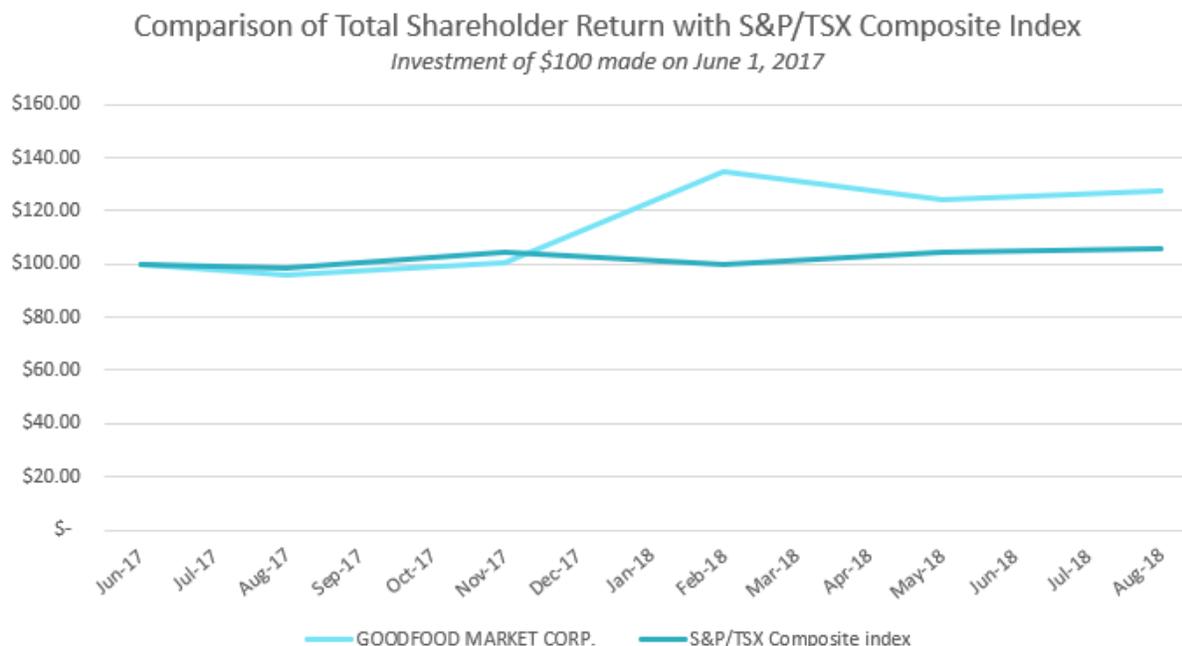
Compensation Risk Management

As part of the annual review of the Company's executive compensation, the Board and the GHRC Committee consider the implications of the risks associated with the Company's compensation policies and practices, including as to whether or not they could encourage an executive officer or an employee at a principal business unit or division to take inappropriate or excessive risks. The Board and the GHRC Committee revisited such risks in Fiscal 2018. The Board and the GHRC Committee believe that the current compensation structure constitutes a well-balanced mix of base salary, short-term incentive and long-term incentive, applies maximums to short-term incentive payouts, and includes a combination of performance and time vesting for long-term incentive grants. Accordingly, the Board and the GHRC Committee have

not, after consideration, identified any risk arising from the Company’s compensation policies and practices that is reasonably likely to have a material adverse effect on the Company.

Performance Graph

The following performance graph shows the yearly change in the cumulative total return on the Company’s Common Shares compared to the total cumulative return of the S&P/TSX Composite Total Return Index for the period between the closing of our RTO on June 1, 2017 to August 31, 2018.



Cumulative Total Return (\$)	01-Jun-17	31-Aug-18
Goodfood Market Corp.	\$100.00	\$127.50
S&P TSX Composite Index	\$100.00	\$105.45

The Company determines executive compensation in accordance with the policies and procedures and based on the criteria described above, and for Fiscal 2018 was largely based, in the case of Jonathan Ferrari and Neil Cuggy on growth in net new subscribers, and in the case of Philippe St-Cyr Adam, upon the achievement of certain onboarding objectives. As such, executive compensation is not based on the total return of the Company’s Common Shares relative to any particular stock index. Given the Company’s Common Shares were listed for trading for only three months in the fiscal year ended August 31, 2017, no comparison can be made for this period with respect to the trend on the graph and the trend in NEO compensation. As for Fiscal 2018, the line graph above reflects that the market price of the Common Shares of Goodfood on the TSX increased by 33%. The increase of NEO compensation over the same 12

month period is mainly attributable to short-term incentive payouts in relation to the achievement of the aforementioned performance objectives and the grant of options as part of the Company's long-term incentive compensation arrangements, and as such, no meaningful conclusion can be drawn as to any direct link between the Company's compensation practices and the performance of the Company's stock index.

Equity Incentive Plans

The Company's Stock Option Plan was established on September 24, 2015 and was amended and restated upon closing of the RTO on June 1, 2017. Details of the Stock Option Plan, as amended, are set out below.

Stock Option Plan

The Stock Option Plan was implemented for the benefit of the employees, directors, officers and consultants of the Company and its affiliates. The purpose of the Stock Option Plan is to provide additional incentives for continued and improved services with the Company. Our Board of Directors is responsible for administering the Stock Option Plan, and the GHRC Committee makes recommendations to the Board of Directors in respect of matters relating to the Stock Option Plan.

The Board of Directors shall have full and complete authority to interpret the Stock Option Plan and in its sole discretion, shall from time to time designate which eligible persons will be granted Options, the number of Common Shares subject to each Option granted to a participant, the vesting for each Option and the terms and conditions of such Option.

The Company does not currently provide financial assistance to any of the Stock Option Plan participants to assist them to exercise Options and purchase Common Shares of the Company. Additionally, the Stock Option Plan does not provide for the ability to transform Options into stock appreciation rights involving an issuance of securities from treasury.

The maximum number of Common Shares currently issuable under the Stock Option Plan shall not exceed 5% of the issued and outstanding Common Shares; as calculated on the date of grant of each Option. As of November 22, 2018, there were 2,498,747 Options outstanding, representing 4.8% of the issued and outstanding Common Shares. All of the Common Shares covered by exercised, expired, cancelled or forfeited Options shall become available Common Shares for the purposes of Options that may be subsequently granted under the Stock Option Plan.

On November 22, 2018, the Board of Directors approved the Option Pool Increase which amended the Stock Option Plan to increase the maximum number of Common Shares issuable under the Stock Option Plan from a maximum of 5% to a maximum of 7.5%. This amendment will come into force should the Option Plan Ordinary Resolution be approved by the Shareholders. As of November 22, 2018, there were 92,515 Common Shares available for issuance under the Stock Option Plan representing 0.2% of the issued and outstanding Common Shares. Had the Option Plan Ordinary Resolution been approved by the Shareholders on November 22, 2018, there would be 1,388,146 Common Shares available for issuance under the Stock Option Plan representing 2.7% of the issued and outstanding Common Shares.

In addition to the Option Pool Increase, the Board of Directors approved a recommendation of the GHRC Committee to (a) change the statute referenced by certain definitions in the Stock Option Plan from the *Business Corporations Act* (Ontario) (the “OBCA”) to the *Canada Business Corporations Act* (“CBCA”), and (b) add a cash exercise feature which allows for a payment in cash to exercising holders of Options (the “Approved Plan Amendments”). The Approved Plan Amendments reflect the continuation of the Corporation from a corporation governed by the OBCA to a corporation governed by the CBCA on September 1, 2017, as well as a desire to provide greater exercise flexibility to Stock Option Plan participants. The Approved Plan Amendments do not require Shareholder approval pursuant to the terms of the amendment provisions of the Stock Option Plan, nor pursuant to the TSX Company Manual, and are not conditional upon the approval of the Stock Option Plan Ordinary Resolution.

The Stock Option Plan is intended to attract and retain personnel and to provide an incentive to participate in the long-term development of the Company. As a result of the growth of the Company and the increasing need to attract and retain personnel, an insufficient number of Common Shares remain available for issuance under the Stock Option Plan. The Board of Directors considers the Option Pool Increase as a way of ensuring that the Board of Directors continues to have the flexibility to grant options pursuant to the Stock Option Plan as required in order to serve the purposes referenced above.

There is no maximum number of securities that any one person who is not an insider of the Company is entitled to receive under the Stock Option Plan. However, the number of Common Shares issuable to insiders of the Company, at any time, under the Stock Option Plan or any other security based compensation arrangement of the Company cannot exceed 10% of the Company’s total issued and outstanding Common Shares as at the applicable grant date. In addition, the number of Common Shares issued to insiders of the Company, within any one year period, under the Stock Option Plan or any other security based compensation arrangement of the Company cannot exceed 10% of the Company’s total issued and outstanding Common Shares.

The exercise price for each Common Share covered by an Option shall be established by the Board of Directors at the time of the grant, but shall not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of the granting of the Option. Unless otherwise specified by the Board at the time of granting the Options, and except as otherwise provided in this Plan, Options will vest in successive equal monthly periods over a period of up to four (4) years after they are granted, with the first twelve (12) periods vesting only on the first anniversary of the grant. However, the Board of Directors has the discretion to determine the vesting schedule of the Options and the Board shall have the full power and authority to accelerate the vesting or exercisability of all or any portion of any Option, including, without limiting the generality of the foregoing, in a change of control situation involving the Company.

Following the adoption of the Approved Plan Amendments on November 22, 2018, the Stock Option Plan includes the option for the holder to request payment of an amount of money instead of subscribing for Common Shares. Accordingly, any Option which is currently issued or which will be issued pursuant to the Stock Option Plan will enable its holder to opt for either (a) the issuance of a Common Share upon the payment of the exercise price of the Option, or (b) if no moratorium or other restriction is determined by the Board of Directors prior to the request, the payment of an amount of money per Option being exercised representing the difference between

the market price of the shares on the trading day preceding the date on which the written notice of the election to exercise is received by the Company (being the last closing price of the Common Shares on the TSX), and the exercise price of the Option, in which case the Option will be cancelled after having been exercised by its holder. The amendment to provide for the ability of the holder to elect to receive such a payment in lieu of Common Shares is not being submitted for, and does not require, the approval of Shareholders at the Meeting pursuant to the amendment provisions of the Stock Option Plan.

Subject to any accelerated termination under the Stock Option Plan and unless otherwise determined by the Board of Directors at the time of the grant, each Option shall be exercisable until the eighth anniversary of the date on which it is granted. The Stock Option Plan provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a black-out period or within ten business days after the last day of a blackout period. In such cases, the extended exercise period shall terminate ten business days after the last day of the black-out period.

The Stock Option Plan also provides that equitable adjustments, if any, will be made by the Board of Directors in connection with any reorganization, change in the number of issued and outstanding Common Shares of the Company by reason of stock dividend, stock split, reverse stock split, recapitalization, merger, consolidation, combination or exchange of shares or other similar corporate change, including adjustments to the exercise price and/or the number of Common Shares to which a holder is entitled upon exercise of Options.

The following table describes the impact of certain events upon the rights of holders of Options under the Stock Option Plan:

Event	Provisions (unless otherwise specified by the Board of Directors at the time of the grant)
Resignation or retirement	Forfeiture of all unvested Options. 30 days after termination to exercise vested Options.
Termination for cause.....	Forfeiture of all vested and unvested Options.
Termination other than for cause.....	Forfeiture of all unvested Options. 90 days after termination to exercise vested Options.
Death or permanent incapacity	Forfeiture of all unvested Options. 120 days after the date of death or permanent incapacity to exercise vested Options.
Change of control.....	Unless otherwise stipulated in an Option agreement or by the TSX, the effect on unvested Options is subject to the discretion of the Board of Directors at the moment of the change of control. Vested Options may, amongst other things, be deemed exercised by the Board of Directors.
Ceasing to be a director or officer (and does not continue as a full-time employee of the Company).....	90 days after termination date to exercise vested Options. Forfeiture of all unvested Options.

Subject to the rules of the TSX, the Board of Directors may at any time or from time to time without shareholder approval alter, amend, vary, suspend, terminate or cancel the Stock Option Plan or amend any Options issued pursuant to the Stock Option Plan. Nonetheless, and subject to any additional requirements of the rules of the TSX, the following changes to the Stock Option Plan or the Options require the approval of the Company's shareholder as well as the approval of the TSX:

- a reduction in the exercise price of an Option held by an insider of the Company;
- an extension of the term of an Option held by an insider of the Company;
- any amendment to remove or exceed the insider participation limits;
- an increase in the maximum number or percentage of Common Shares issuable pursuant to Options granted under the Stock Option Plan; and
- a change to the provisions regarding amendments to the Stock Option Plan.

The Board of Directors has the discretion to make amendments which it may deem necessary or desirable, without having to obtain shareholder approval. Such changes include, without limitation:

- minor changes of a “housekeeping nature”;
- amending options under the Stock Option Plan, including with respect to the option period (provided that the period during which an Option is exercisable does not exceed eight years from the date the Option is granted and that such Option is not held by an insider of the Company), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an insider of the Company) and method of determining the subscription price, assignability and effect of termination of a participant’s employment or cessation of the participant’s directorship;
- changing the class of participants eligible to participate under the Stock Option Plan;
- accelerating vesting or extending the expiration date of any Option (provided that such Option whose expiration date is being extended is not held by an insider of the Company), provided that the period during which an Option is exercisable does not exceed eight years from the date the Option is granted;
- changing the terms and conditions of any financial assistance which may be provided by the Company to participants to facilitate the purchase of Common Shares under the Stock Option Plan; and
- adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserve.

For the first three points above, the votes attached to shares held directly or indirectly by insiders benefiting directly or indirectly from the amendment are to be excluded. In addition, with respect to the last point above, where the amendment will disproportionately benefit one or more insiders over other holders of Options, the votes of shares held directly or indirectly by those insiders receiving the disproportionate benefit must be excluded.

Options granted under the Stock Option Plan are not assignable or transferable except to the legal representative or estate of a participant who has become incapacitated or who has died.

The Stock Option Plan provides that in the event of, amongst other things: (i) any transaction pursuant to which (A) the Company goes out of existence, or (B) any person (other than the Company, an affiliate of the Company or an employee benefit plan of the Company) acquires the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities; (ii) the sale of all or substantially all of the Company's assets to a person other than an affiliate of the Company; (iii) the dissolution or liquidation of the Company except in connection with the distribution of assets of the Company to an affiliate of the Company prior to such event; or (iv) the occurrence of a transaction requiring approval of the Company's shareholders involving the acquisition of the Company by an entity through purchase of assets, by amalgamation or otherwise (each such case being a "change in control" for the purposes of a Stock Option Plan), the Board of Directors, without limiting the generality of the foregoing, and without any action or consent required on the part of any participant, shall have the right to, (a) determine that the Options, in whole or in part and whether vested or unvested, shall remain in full force and effect in accordance with their terms after the change in control, (b) provide for the conversion or exchange of any or all Options into or for options, rights or other securities in the entity participating in or resulting from the change in control, (c) cancel any unvested Options without payment of any kind to any participant, (d) accelerate the vesting of outstanding Options, (e) provide for outstanding Options to be purchased, (f) accelerate the date by which any or all Options, whether vested or unvested, must be exercised, (g) deem any or all Options, whether vested or unvested to have been exercised, tender, on behalf of the participant, the underlying Common Shares that would have been issued pursuant to the exercise of such Options to any third party purchaser in connection with the change in control, and pay to the participant on behalf of such third party purchaser an amount per underlying Common Share equal to the positive difference between the change in control price of the Common Shares and the applicable exercise price, (h) cancel any or all outstanding Options and pay to the participant an amount per underlying Common Share equal to the positive difference between the change in control price of the Common Shares and the applicable exercise price, or (i) take such other actions, and combinations of the foregoing actions or any other actions permitted under the Stock Option Plan, as it deems fair and reasonable under the circumstances.

Annual Burn Rate

In accordance with the requirements of Section 613 of the TSX Company Manual, the following table sets out the annual burn rate of the Options granted under the Stock Option Plan as of the end of the financial year ended August 31, 2018, and for financial years following the closing of the RTO, as applicable for years in which grants have been made under such plans. The burn rate is calculated by dividing the number of Options granted under the Stock Option Plan during the relevant fiscal year by the weighted average number of Common Shares outstanding for the applicable fiscal year. The Company expects that the annual burn rate will stabilize as the Company matures.

Annual Burn Rate for the Financial Years Following the Closing of the RTO		
	2017	2018
Stock Option Plan	1.61%	2.48%

Summary Compensation Table

The following table sets out information concerning NEO compensation for the period between the closing of the RTO and August 31, 2018.

Name and principal position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁴⁾ (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jonathan Ferrari, Chairman and CEO	2017	\$50,000 ⁽¹⁾	-	\$181,142	\$17,916 ⁽³⁾	-	-	-	\$249,058
	2018	\$200,000	-	-	\$78,537	-	-	-	\$278,537
Neil Cuggy President and COO	2017	\$50,000 ⁽¹⁾	-	\$181,142	\$17,916 ⁽³⁾	-	-	-	\$249,058
	2018	\$200,000	-	-	\$78,537	-	-	-	\$278,537
Philippe St-Cyr Adam CFO	2017	-	-	-	-	-	-	-	-
	2018	\$83,333 ⁽⁵⁾	-	\$479,198	\$26,466 ⁽⁶⁾	-	-	-	\$588,997

- (1) Represents base salary earned for the period between the closing of the RTO and August 31, 2017. Annualized amounts are as follows: Jonathan Ferrari \$200,000 and Neil Cuggy \$200,000.
- (2) Represents the grant-date fair value of option-based awards granted to the NEOs determined using the Black-Sholes method in accordance with IFRS 2 Share-based Payment. At the close of the RTO, the Company issued 50,000 Options to each of Jonathan Ferrari and Neil Cuggy. In addition on August 23, 2017, each of Messrs. Ferrari and Cuggy received 128,205 Options representing the equity portion of the compensation payable to them for the fiscal year ending August 31, 2018. On February 16, 2018, the Company issued 300,000 Options to Philippe St-Cyr Adam upon the execution of his employment agreement with the Company. See "Incentive Plan Awards".
- (3) Represents the amounts earned pursuant to the Company's annual bonus plan, for the period between the closing of the RTO and August 31, 2017.
- (4) None of the NEOs are entitled to perquisites or other personal benefits which in the aggregate are worth over \$50,000 or over 10% of their base salary.
- (5) Represents base salary earned for the period beginning at the commencement of Philippe St-Cyr Adam's employment with the Company and August 31, 2018. Mr. St-Cyr Adam's annualized base salary for the year ended August 31, 2018 is \$200,000.
- (6) Represents the amount earned pursuant to the Company's annual bonus plan for the period between the commencement of Philippe St-Cyr Adam's employment with the Company and August 31, 2018.

For the fiscal year ending August 31, 2019, the following base salaries are to be paid to the NEOs: Jonathan Ferrari \$350,000, Neil Cuggy \$350,000 and Philippe St-Cyr Adam \$200,000. See "Elements of Compensation - Base Salary". In addition, the NEOs may earn a bonus equal to a percentage of each such NEOs base salary, such amount representing up to 100% of the base salary of Messrs. Ferrari and Cuggy, and 30% of the base salary of Mr. St-Cyr Adam. See "Elements of Compensation - Short Term Incentives." Moreover, each of the NEOs are entitled to receive Options. For Fiscal 2018, each of Messrs. Ferrari and Cuggy were granted 128,205 Options at an exercise price of \$1.56 per Option. In addition, Philippe St-Cyr Adam received, upon the signing of his employment agreement with the Company, a one-time grant of 300,000 Options at an exercise price of \$2.71 per Option. On September 1, 2018, a one-time grant of 500,000 Options was made to each of Messrs. Ferrari and Cuggy at an exercise price of \$2.55 per Option. See "Elements of Compensation - Long Term Incentive".

Incentive Plan Awards

Outstanding Option-based Awards

The following table indicates, for each of the NEOs, all awards outstanding as of August 31, 2018.

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 Option (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽³⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾ (\$)
Jonathan Ferrari Chairman and CEO	50,000	\$2.00	June 1, 2025	\$27,500	-	-	-
	128,205	\$1.56	August 23, 2025	\$126,923	-	-	-
Neil Cuggy President and COO	50,000	\$2.00	June 1, 2025	\$27,500	-	-	-
	128,205	\$1.56	August 23, 2025	\$126,923	-	-	-
Philippe St-Cyr Adam CFO	300,000	\$2.71	February 16, 2026	-	-	-	-

(1) The closing price of the securities underlying the Options on August 31, 2018 was \$2.55 per Common Share.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates, for each of the NEOs, a summary of the value of Option-based and share-based awards vested or of non-equity incentive plan compensation during Fiscal 2018.

Name	Option-Based Awards - Value Vested (\$) ⁽¹⁾	Share-Based Awards - Value Vested (\$)	Non-Equity Incentive Plan Compensation - Value Earned (\$)
Jonathan Ferrari Chairman and CEO	\$35,463	-	\$78,537
Neil Cuggy President and COO	\$35,463	-	\$78,537
Philippe St-Cyr Adam CFO	-	-	\$26,466 ⁽²⁾

(1) Represents the aggregate dollar value of in-the-money Options that would have been realized if the Options had been exercised on the vesting date during Fiscal 2018. The value is equal to the difference between the closing price of the underlying securities at exercise and the exercise price of the Options on the vesting date. As of August 31, 2018, Jonathan Ferrari and Neil Cuggy each had 72,676 vested Options while Philippe St-Cyr Adam had no vested Options.

(2) Represents the amount earned pursuant to the Company's annual bonus plan for the period between the commencement of Philippe St-Cyr Adam's employment with the Company and August 31, 2018.

Termination and Change of Control Benefits

All NEOs of the Company have executed amended and restated employment agreements with the Company effective as of June 1, 2017, except for Philippe St-Cyr Adam who entered into an employment agreement with the Company effective as of March 23, 2018. The employment

agreements include provisions regarding base salary, annual bonuses, eligibility for long-term equity-incentives, benefits, confidentiality, non-solicitation and non-competition covenants, and ownership of intellectual property, among other things. The non-competition covenants survive for 12 months following termination of employment.

In the case of termination of employment other than for cause and in the case of a NEO's resignation for a good reason, the employment agreements of the NEOs provides that they are entitled to a termination payment equal to 24 months of base salary and short-term incentive amounts in the case of Jonathan Ferrari and Neil Cuggy and 12 months of base salary and short-term incentive amounts in the case of Philippe St-Cyr Adam, and short term incentive amounts payable immediately at termination. The NEOs shall also be entitled to their pro-rata short-term incentive bonus through the termination date. In addition, if Messrs. Ferrari or Cuggy are terminated other than for cause, they may require the Company to purchase all or part of the Common Shares held by them in the capital of the Company to the extent and at the highest price permitted by applicable law. Subject to certain liquidity requirements, such right may only be exercised in respect of a single purchase of shares by the Company as permitted by applicable law in respect of a maximum of 5% of the outstanding shares of the Company in a given 12-month period. For the purpose of the NEOs employment agreements, a "good reason" refers to (i) a change in a NEO's responsibility by the Company in a materially adverse manner, or (ii) if the location of the NEO's employment is changed by the Company to a place outside of the greater Montréal area. In addition, in the case of Mr. St-Cyr Adam, a change of his remuneration by the Company in a materially adverse manner or a departure within the 12 months following a Change of Control (as defined below) would constitute a "good reason" pursuant to his employment agreement.

The same provisions apply for Jonathan Ferrari and Neil Cuggy in the case of termination of employment other than for cause or a change in responsibilities within 12 months of a Change of Control, except that Philippe St-Cyr Adam is entitled to 24 months of base salary and short-term incentive amounts. A "Change of Control" means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis, in one transaction or a series of related transactions, to a person that is not an affiliate, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting rights of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) any person or a group of persons acting jointly or in concert becoming the beneficial owner, directly or indirectly, of shares carrying at least a majority of the outstanding voting rights of the Company, or (iv) any other transaction in which the owners of the Company's outstanding voting power prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

The NEOs' employment agreements further provide that, upon termination of employment other than for cause, the NEOs shall be entitled to exercise any Options awarded under the Stock Option Plan. In addition, the employment agreements of Messrs. Ferrari and Cuggy provide that, upon termination other than for cause within 12 months from a Change of Control, they shall

have 12 months after the date of termination to exercise their Options, including Options vesting as a result of the Change of Control.

The table below shows the incremental payments that would be made to our NEOs, other than, upon certain events assuming termination event took place on August 31, 2018.

Name	Event	Severance ⁽¹⁾ (\$)	Options ⁽²⁾ (\$)	Other Payments ⁽³⁾ (\$)	Total (\$)
Jonathan Ferrari, Chairman and CEO	Resignation	-	\$62,977	-	\$62,977
	Termination for a serious reason	-	-	-	-
	Termination other than for a serious reason or resignation for a good reason	\$400,000	\$154,423	\$400,000	\$954,423
	Termination other than for cause within 12 months from a Change of Control	\$400,000	\$154,423	\$400,000	\$954,423
	Death, retirement or permanent disability	-	\$154,423	-	\$154,423
Neil Cuggy, President and COO	Resignation	-	\$62,977	-	\$62,977
	Termination for a serious reason	-	-	-	-
	Termination other than for a serious reason or resignation for a good reason	\$400,000	\$154,423	\$400,000	\$954,423
	Termination other than for cause within 12 months from a Change of Control	\$400,000	\$154,423	\$400,000	\$954,423
	Death, retirement or permanent disability	-	\$154,423	-	\$154,423
Philippe St-Cyr Adam CFO	Resignation	-	-	-	-
	Termination for a serious reason	-	-	-	-
	Termination other than for a serious reason or resignation for a good reason	\$200,000	-	\$60,000	\$260,000
	Termination other than for cause within 12 months from a Change of Control	\$400,000	-	\$120,000	\$520,000
	Death, retirement or permanent disability	-	-	-	-

(1) Amounts reflect base salary in effect as at August 31, 2018.

(2) The value of Options is calculated based on the closing market price on August 31, 2018 of \$2.55. Assumes the exercise of vested Options, if permitted, upon termination event.

(3) Represents amounts payable upon applicable end of employment with respect to the Company's short-term incentive program and for other benefits.

Share Ownership Requirements

All directors are required to hold three times their annual retainer in Common Shares, within three years of their election to the Board of Directors.

Hedging/Anti-Hedging Policy

The NEOs and the directors are, under the terms of the Company's Code of Conduct, prohibited from engaging in short sales, sale of a call option, and purchase of a put option with respect to securities of Goodfood.

DIRECTOR COMPENSATION

The GHRC Committee reviews directors' compensation periodically. In determining directors' remuneration, the GHRC Committee considers the directors' compensation offered by a peer group in determining compensation matters, and the risks and responsibilities that the directors of the Company assume in keeping with the roles of the Board of Directors and of the committees. For Fiscal 2018, the peer group used included Opsens Inc., Espial Group Inc., Invescor Restaurant Group Inc., GreenSpace Brands Inc. and AcuityAds Holdings Inc.

Director Compensation

Jonathan Ferrari and Neil Cuggy have not been and are not entitled to any compensation as directors. The other directors of the Company are entitled to be paid as members of the Board of Directors, and, if applicable, as members of any committee of the Board of Directors, the following annual retainers:

Annual Retainer

Independent Board Member	
Cash and Equity Retainer.....	\$ 20,000

Committee Chair Retainer

Lead Director	\$ 4,000
Chair of Audit Committee.....	\$ 2,500
Chair of GHRC Committee.....	\$ 2,500

The cash retainers are paid on a quarterly basis. Save and except for Jonathan Ferrari and Neil Cuggy who are not entitled to any compensation as directors, the directors of the Company are entitled to be paid as members of the Board of Directors, and, if applicable, as members of any committee of the Board of Directors, the following meeting fees:

Meeting Fees

Board Meeting Fees	\$ 1,250
Committee Meeting Fees	\$ 1,250
Participation by Telephone	\$ 500

Directors are entitled to be reimbursed for reasonable travel and other expenses incurred by them in carrying out their duties as directors. There are currently no service contracts or agreements,

or predetermined plans or arrangements, between the Company and any of the directors with respect to payments upon termination of their services as a director.

On August 23, 2017, the Board of Directors approved the issuance of 25,000 Options to each of the independent members of the Board of Directors as part of their annual retainer and remuneration for Fiscal 2018. The issuance of 25,000 Options to each of the independent members of the Board of Directors as part of their annual retainer for Fiscal 2019 was made on September 1, 2018.

Director Compensation Table

The following table indicates, for each non-executive director, a summary of the compensation received during Fiscal 2018.

Name	Fees earned ⁽¹⁾⁽²⁾ (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Hamnett Hill	\$34,250	-	-	-	-	-	\$34,250
Donald Olds	\$41,750	-	-	-	-	-	\$41,750
Guy Leblanc	\$35,750	-	-	-	-	-	\$35,750

(1) Represents fees earned for services as a director for Fiscal 2018.

(2) On January 10, 2018, the Board of Directors approved the pro-rating of the fees earned by the non-executive directors for the fiscal year ended August 31, 2017. As such, the previously disclosed fees earned by the Company's non-executive directors were reduced to \$12,500 from \$28,750 in the case of Hamnett Hill, to \$12,625 from \$35,250 in the case of Donald Olds, and to \$13,125 from \$31,250 in the case of Guy Leblanc.

Director Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The following table indicates, for each of the directors (other than our Chairman and Chief Executive Officer and President and Chief Operating Officer), all awards outstanding as of August 31, 2018.

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 (\$)
Hamnett Hill	25,000	\$1.56	August 23, 2025	\$24,750	-	-	-
Donald Olds	25,000	\$1.56	August 23, 2025	\$24,750	-	-	-
Guy Leblanc	25,000	\$1.56	August 23, 2025	\$24,750	-	-	-

(1) The closing price of the securities underlying the Options on August 31, 2018 was \$2.55 per Common Share.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates, for each of the directors (other than our Chairman and Chief Executive Officer, and President and Chief Operating Officer), a summary of the value of Option-based compensation for Fiscal 2018.

Name	Option-Based Awards - Value Vested (\$)⁽¹⁾	Share-Based Awards - Value Vested (\$)	Non-Equity Incentive Plan Compensation - Value Earned (\$)
Hamnett Hill	\$5,563	-	-
Donald Olds	\$5,563	-	-
Guy Leblanc	\$5,563	-	-

(1) Represents the aggregate dollar value of in-the-money options that would have been realized if the options had been exercised on the vesting date during Fiscal 2018. The value is equal to the difference between the closing market price of the underlying securities at exercise and the exercise price of the options on the vesting date.

EQUITY COMPENSATION PLAN INFORMATION

The following table shows the total number of Common Shares to be issued upon the exercise of outstanding Options under all of Goodfood’s equity-based compensation plans, their weighted average exercise price, and the number of Common Shares available for future issuance as of August 31, 2018.

Plan Category	Number of Common Shares to be issued upon the exercise of outstanding Options (#)	Weighted-average exercise price of outstanding Options (\$)	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding shares issuable under outstanding Options)⁽¹⁾ (#)
Equity compensation plans approved by securityholders	1,425,471	\$1.96	1,165,791
Equity compensation plans not approved by securityholders	-	-	-
Total	1,425,471	\$1.96	1,165,791

(1) Calculated on the date of grant of each Option. All of the Common Shares covered by exercised, expired, cancelled or forfeited Options shall become available Common Shares for the purposes of Options that may be subsequently granted under the Stock Option Plan. See “Stock Option Plan”.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below and elsewhere in this Management Proxy Circular, we have not completed a transaction since the RTO (which was completed on June 1, 2017), that has materially affected or is reasonably expected to materially affect us in which any of our directors, executive officers or principal shareholders, or any of their associates or affiliates, had any material interest, either direct or indirect.

On May 7, 2018, the Company completed a bought deal public offering for gross proceeds to the Company of \$10 million (the “Offering”). In connection with the Offering, a syndicate of underwriters, led by GMP Securities, L.P., and including National Bank Financial Inc., Canaccord Genuity Corporation, Scotia Capital Inc., Desjardins Securities Inc., and Raymond James Ltd. (the “Underwriters”) purchased, on a bought deal basis, 4,000,000 Common Shares

of the Company at a price of \$2.50 per Common Share. Donald Olds and Guy Leblanc, directors of the Company, purchased 20,000 and 40,000 Common Shares respectively pursuant to the Offering. The Underwriters were also granted an option (the “Over-Allotment Option”) to purchase from the Company up to an additional 400,000 Common Shares and from the founders of the Company, Jonathan Ferrari, Neil Cuggy, and Raffi Krikorian (the “Selling Shareholders”), an aggregate of 200,000 Common Shares. On May 16, 2018, the Company announced the partial exercise of the Over-Allotment Option by the Underwriters to purchase 200,000 Common Shares entirely from the Selling Shareholders, rather than from the Company and the Selling Shareholders of a pro rata basis, for gross proceeds to the Selling Shareholders of \$500,000 in the aggregate.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

As of November 22, 2018, none of our directors, executive officers, employees, former directors, former executive officers or former employees, and none of their associates, is indebted to us or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by us, except for routine indebtedness as defined under applicable securities legislation.

CORPORATE GOVERNANCE

The Canadian Securities Administrators have issued corporate governance guidelines pursuant to National Policy 58-201 – Corporate Governance Guidelines (“NP 58-201”) together with certain related disclosure requirements pursuant to NI 58-101. The corporate governance guidelines set forth in NP 58-201 are recommended as “best practices” for issuers to follow. Goodfood recognizes that good corporate governance plays an important role in its overall success and in enhancing shareholder value and, accordingly, has adopted certain corporate governance policies and practices which are reflective of the recommended corporate governance guidelines.

Set out below is the disclosure required by NI 58-101 which describes Goodfood’s approach to corporate governance in relation to the corporate governance guidelines set forth in NP 58-201.

Board of Directors

Independence of the Board of Directors

The Board is comprised of five directors, three of whom are independent for the purposes of NI 58-101. A director is independent for the purposes of NI 58-101 if he or she is independent within the meaning of National Instrument 52-110 – Audit Committees (“NI 52-110”). Subject to certain exceptions, a director is “independent” within the meaning of NI 52-110 if he or she has no direct or indirect material relationship with the issuer. A “material relationship” is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

It is the Board’s determination that all current directors are independent other than Jonathan Ferrari by reason of the fact that he is the Chairman and Chief Executive Officer of the Company and Neil Cuggy by reason of the fact that he is the President and Chief Operating Officer of the Company.

The Board determines annually whether each member of the Board is independent pursuant to applicable securities legislation by ascertaining, among other matters, whether they were engaged as an executive officer or employee of Goodfood, they have any immediate family member engaged as an executive officer or employee of Goodfood, they received remuneration from Goodfood other than remuneration for acting as a director or a member of any committee of the Board, or they or an immediate family member benefitted from a business relationship with Goodfood that could reasonably be perceived to materially interfere with their independent judgment. For additional information regarding the directors of Goodfood, see “Proposed Nominees for Election as directors - Information on Proposed Nominees”.

Outside Directorships

Certain members of the Board are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction, as listed in “Proposed Nominees for Election as Directors - Information on Proposed Nominees”.

Meetings of Independent Directors

The Board of Directors holds regularly-scheduled quarterly meetings as well as ad hoc meetings from time to time. In the course of meetings of the Board of Directors or of committees of the Board, the independent directors hold meetings, or portions of such meetings, at which neither non-independent directors nor officers of Goodfood are in attendance. See “Attendance and Board and Committee Meetings”.

If a director or officer holds an interest in a transaction or agreement under consideration at a Board meeting or a Board committee meeting, that director or officer shall not be present at the time the Board or Board committee deliberates such transaction or agreement and shall abstain from voting on the matter, subject to certain limited exceptions provided for in the Company’s laws of incorporation.

Chairman of the Board

Jonathan Ferrari, the Chairman and Chief Executive Officer of the Company, is the Chairman of the Board of Directors, and in such role, he is principally responsible for overseeing the operations and affairs of the Board.

Lead Director

As the Chairman of the Board is an Executive Officer, the directors have appointed Donald Olds, an independent director, as the lead director of Goodfood (the “Lead Director”). The Lead Director is responsible for performing the duties and responsibilities of ensuring that the Board of Directors discharges its responsibilities, that the Board of Directors evaluates performance of management objectively, that the Board of Directors understands the boundaries between the responsibilities of the Board of Directors and of management and managing any conflicts of interest between the Board of Directors and management.

Board of Directors Mandate

The Board of Directors has adopted a written charter describing, inter alia, the Board's role and overall responsibility to supervise the management of the business and affairs of Goodfood. The Board, directly and through its Board committees and the Chairman of the Board (or the Lead Director in the event the Chairman of the Board has a conflict of interest), provides direction to the Executive Officers. The Board has overall responsibility for the Company's strategic planning, risk management, human resources management, corporate governance, and communications with Goodfood's shareholders and the market. The text of the Board of Directors Charter is reproduced in its entirety in Annex A attached to this Management Proxy Circular.

Committees of the Board

In addition to the Audit Committee, the Board has established the GHRC Committee, which is currently comprised of Hamnett Hill, Guy LeBlanc and Donald Olds, a majority of whom are independent within the meaning of NI 58-101. Mr. Old is the chair of the GHRC Committee. For more information on the Audit Committee, including the text of its terms of reference, refer to the Audit Committee section in our annual information form for Fiscal 2018.

Position Descriptions

The Board has developed and implemented written descriptions for the Lead Director, Chairman of the Board and the chair of each committee of the Board in the Board of Directors Charter and each committee's respective charter. In addition, the Board, in conjunction with the President and Chief Executive Officer, has developed and implemented a written position description for the role of the President and Chief Executive Officer who is primarily responsible for the general direction and management of the business and affairs of the Company, including establishing the corporate strategy and leadership of the Company, overseeing financial, compliance and governance matters, and ensuring effective Board, stakeholder and investors communication. The text of the Terms of Reference for the President and Chief Executive Officer is reproduced in its entirety in Annex B attached to this Management Proxy Circular.

Orientation and Continuing Education

The GHRC Committee reviews, monitors and makes recommendations with respect to director orientation. All newly elected directors shall be provided with an orientation as to the nature and operation of the business and affairs of the Company and as to the role of the Board and its committees. Each new director shall meet with the Lead Director and Chairman and Chief Executive Officer, and will also be given the opportunity to meet with the Company's other senior managers to discuss the Company's business and activities. Orientation will be designed to assist the directors in fully understanding the nature and operation of the Company's business, the role of the Board and its committees, and the contributions that individual directors are expected to make, including the time and effort the Company expects them to devote to the execution of their functions.

Given the size of the Company, directors do not receive a formal continuing education program. However, directors are regularly briefed by the Chairman and Chief Executive Officer, the

President and Chief Operating Officer and the Chief Financial Officer on the strategic issues affecting the Company as well as the competitive landscape and other developments that could materially affect the business. In addition, the GHRC Committee intends to periodically review, monitor and make recommendation with respect to the sufficiency of director continuing education opportunities available to the Company's directors.

Ethical Business Conduct

Code of Conduct

The Board of Directors has adopted a written Code of Conduct applicable to all employees, executive officers and directors of Goodfood. The Code of Conduct has been filed under Goodfood's profile on SEDAR at www.sedar.com. The Code of Conduct summarizes the standards of business conduct expected of employees, executive officers and directors, and provides guidance on their ethical and legal responsibilities. The Code of Conduct aims to deter wrongdoing and to promote, inter alia:

- honest and ethical conduct;
- avoidance of conflicts of interest with the interests of the Company;
- confidentiality of corporate information;
- protection and proper use of corporate assets and opportunities;
- compliance with applicable laws, rules and regulations, including compliance with securities laws and regulations; and
- internal reporting of any violations of the Code of Conduct and accountability for adherence of the Code of Conduct.

The Code of Conduct also prohibits directors, executive officers and employees of Goodfood to enter into any transactions relating to short sales of securities of Goodfood, sales of call options on securities of Goodfood, and purchases of put options on securities of Goodfood.

All directors, executive officers and employees of Goodfood have been provided with a copy of the Code of Conduct and the directors, executive officers and employees of Goodfood are required to sign an acknowledgment of their receipt and understanding of their obligations to comply with the Code of Conduct on an annual basis.

Monitoring Compliance with the Code of Conduct

The Board, together with the GHRC Committee and the Audit Committee monitors adherence to the Code of Conduct and reviews potential situations related thereto brought to the attention of the any of the Board, GHRC Committee or Audit Committee in order to recommend to the GHRC Committee whether or not to grant waivers from the requirements of the Code of Conduct.

Requirement for Directors and Officers to Disclose Interest in a Contract or Transaction

In accordance with the Company's laws of incorporation, directors and officers must disclose the nature and value of any interest he or she has in a material contract or material transaction whether made or proposed with the Company. Such disclosure is also required for any contract or transaction to which Goodfood is a party and an entity in which the director or officer is a director or officer or an individual acting in a similar capacity, or an entity in which the director or officer has a material interest. Subject to certain limited exceptions under the Company's laws of incorporation, no director may vote on a resolution to approve a material contract or material transaction which is subject to such disclosure requirement.

The GHRC Committee monitors conflicts of interest (actual or perceived) of both the directors and officers in accordance with the Code of Conduct, including compliance with all applicable corporate and securities law disclosure obligations, and restrictions on voting or participating in deliberations with respect to contracts or transactions in which a director or officer of Goodfood has an interest.

Complaint Reporting and Review of Ethical Business Conduct

In order to foster a climate of openness and honesty in which any concern or complaint pertaining to accounting, internal accounting controls or auditing matters affecting Goodfood can be reported in good faith, without fear of retaliation, harassment or an adverse employment consequence, the Code of Conduct contains policies and procedures to facilitate confidential, anonymous submissions by employees of concerns or complaints regarding questionable accounting, internal accounting controls or auditing matters. The Chief Financial Officer is responsible for reviewing any such complaints or concerns that are received. However, when necessary, the Chair of the GHRC Committee may receive and review any complaints or concerns received that relate to non-financial matters, while the Audit Committee may receive and review any complaints or concerns received that relate to financial matters. Each of the Chief Financial Officer, GHRC Committee and Audit Committee, if determined to be necessary or appropriate, may engage outside advisors to investigate any matter, and will work with management and legal counsel to reach a satisfactory conclusion.

Nomination of Directors

The GHRC Committee, in consultation with the Chairman and Chief Executive Officer, annually or as required, recruits and identifies, and recommends to the Board for nomination, individuals qualified to become new Board members, as well as recommend individual directors to serve on the various Board committees. In making its recommendations, the GHRC Committee considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee will bring to the boardroom. The Committee also considers the amount of time and resources that nominees have available to fulfill their duties as a Board member.

The GHRC Committee is composed of a majority of independent directors within the meaning of NI 58-101. The Chair of the GHRC Committee is an independent director and will lead the

nominating process in accordance with and pursuant to the criteria for Board membership as set forth in the Charter of the GHRC Committee.

In accordance with the requirements of the TSX, the Company has adopted a majority voting policy for uncontested director elections.

Diversity Policy

The members of the Board of Directors have diverse backgrounds and expertise and were selected on the belief that the Company and its stakeholders would benefit from such a broad range of talent and experiences. The Board of Directors considers merit as the key requirement for board appointments, and as such, it has not adopted a target regarding women in executive officer positions. The Company has not adopted a written diversity policy and seeks to attract and maintain diversity at the Board of Directors level informally through the recruitment efforts of management in discussion with directors prior to proposing nominees to the GHRC Committee and to the Board of Directors as a whole for consideration. The Company currently has no women acting as executive officers on behalf of the Company or as members of its Board of Directors.

Compensation

The GHRC Committee oversees and recommends for approval by the Board of Directors Goodfood's executive compensation principles, policies, programs, grants of equity-based incentives and processes and specifically considers and recommends annually or as required for approval by the independent directors of the Board of Directors of all forms of compensation for the Chairman and Chief Executive Officer, and for approval by the Board of Directors of all forms of compensation for the other executive officers of Goodfood. Further particulars of the process by which compensation for Goodfood's executive officers is determined, is provided under the heading "Executive Compensation" in this Management Proxy Circular. The Chair of the GHRC Committee is an independent director and leads the compensation review process in accordance with the GHRC Committee Charter.

Assessments

It is the responsibility of the Board of Directors and the GHRC Committee to regularly evaluate the overall efficiency of the Board of Directors and its various committees. In connection with such evaluations by the Board of Directors, the performance of the Board of Directors as a whole as well as the performance of each individual director is evaluated and reviewed on an annual basis. The evaluation by the Board of Directors takes into account (i) in the case of the Board of Directors, the Board of Directors charter and (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Board of Directors. The GHRC Committee assesses the contribution of individual directors on an ongoing basis and in light of the opportunities and risks facing Goodfood, the competencies, skills and qualities required of directors. As part of its mandate, the GHRC Committee develops long-term plans for the composition of the Board, as well as ensures that an appropriate system is in place to evaluate the effectiveness of the Board as a whole and its various committees.

Director Term Limits

The Company does not have a policy that limits the term of the directors on its Board of Directors and has not provided other mechanisms of board renewal. At this time, the Board of Directors does not believe that it is in the best interest of the Company to establish a term limit of the director's mandate or the mandatory retirement age. The Board of Directors is in the opinion that term limits may disadvantage the Company through the loss of beneficial contributions of directors who have developed increasing knowledge of the Company, its operation and the industry over a period of time. Furthermore, the GHRC Committee periodically reviews the composition of the Board of Directors and its committees, to determine "relatedness" as well as the profile of the Board of Directors (such as age, disciplines, geographical representation, etc.) so as to ensure that the Board of Directors is comprised of members who facilitate effective decision-making.

Attendance at Board and Committee Meetings

The GHRC Committee monitors director attendance and, in addition to considering attendance in relation to the recommendation for directors to be proposed for election at the annual meeting of shareholders, the Committee discloses the attendance record for all directors in the Management Proxy Circular. During Fiscal 2018, the Board of Directors met a total of eight (8) times, the Audit Committee met a total of four (4) times, and the GHRC Committee met a total of two (2) times, as described in more detail under the heading "Proposed Nominees for Election as Directors - Information on Proposed Nominees". At the end of each of the Board of Directors meetings held during Fiscal 2018, the independent directors met separately.

ADDITIONAL INFORMATION

Additional information relating to Goodfood may be found on SEDAR at www.sedar.com and on the Company's website at www.makegoodfood.ca. You can also obtain a copy of such documents by contacting Investor Relations by sending an e-mail to ir@makegoodfood.ca, by visiting the Investors section on the Company's website at www.makegoodfood.ca or by contacting us by mail or telephone:

Investor Relations
ir@makegoodfood.ca
Telephone: 1-855-515-5191

Additional financial information is provided in the audited financial statements and the management's discussion & analysis of the Company for its fiscal year ended August 31, 2018.

APPROVAL BY THE DIRECTORS

The Board of Directors of the Company has approved the content and delivery of this Management Proxy Circular.

(s) Neil Cuggy

Neil Cuggy
President and Chief Operating Officer

ANNEXE A
BOARD OF DIRECTORS CHARTER

See attached document.



BOARD OF DIRECTORS CHARTER

DATED AUGUST 23, 2017

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I. PURPOSE

The Board of Directors (the “**Board**”) of Goodfood Market Corp. (the “**Corporation**”) is responsible for the supervision of the management of the business and affairs of the Corporation. The Board shall pursue the best interests of the Corporation and shall discharge its duties directly and through the committees that may exist from time to time.

The composition and meetings of the Board are subject to the requirements set forth in the articles and by-laws of the Corporation as well as in applicable laws.

II. DUTIES AND RESPONSIBILITIES OF THE BOARD

In furtherance of its purpose, the Board assumes the following duties and responsibilities, some of which are initially reviewed and recommended by the applicable committee of the Board to the full Board for approval:

A. STRATEGY AND BUDGET

1. Ensure a strategic planning process is in place and approving, on at least an annual basis, a Business Plan which takes into account, among other things, the longer term opportunities and risks of the business;
2. Approve the Corporation’s annual operating and capital budgets;
3. Review operating and financial performance results in relation to the Corporation’s Business Plan and budgets.

B. GOVERNANCE

1. Develop, adopt, implement, review and enforce the Corporation’s Code of Ethics, Insider Trading Policy and other policies, and the actions, reports and recommendations received periodically from the Audit Committee and the Governance, Human Resources and Compensation Committee (the “**GHRC Committee**”) with respect to the conduct of the business in compliance with such policies;
2. Oversee the Corporation’s policies concerning business conduct, ethics, public disclosure of material information and other matters;
3. Oversee the charitable contributions of the Corporation.

C. BOARD AND COMMITTEE MEMBERS

1. Identify individuals qualified to become Board members considering the size of the Board and the competences and skills of directors and proposed directors and the nominees for election at the next annual meeting of shareholders;
2. Approve the nomination of Directors to the Board and its Committees, as well as:

- a. ensuring that a majority of the Corporation's Directors have no direct or indirect material relationship with the Corporation and determine who, in the reasonable opinion of the Board, are independent pursuant to applicable legislation, regulation and listing requirements;
 - b. developing appropriate qualifications/criteria for the selection of Board members, including criteria for determining Director independence;
 - c. appointing the Board Chair, the Lead Director if necessary and the Chair and members of each Committee of the Board, in consultation with the relevant Committee of the Board.
3. Determine the Directors' remuneration for Board and Committee service;
 4. Ensure that the Corporation's compensation policy for Directors reflects realistically the time spent, responsibilities and risks involved in being an effective director;
 5. Assess annually the effectiveness and contribution of the Board, the Board Chair and the Lead Director, and of each Committee of the Board and their respective Chairs and of individual Directors;
 6. Identify individuals qualified to become members of the Audit Committee in light of the independence, financial literacy, experience and other membership requirements set forth under applicable laws, rules and regulations and listing requirements;
 7. Provide a comprehensive orientation program for new Directors to the Board and continuing education opportunities for all Directors;
 8. Develop written position descriptions for the Board Chair, Lead Director and the Chair of each Committee of the Board;
 9. Review and discuss with each of the Committees of the Board the appropriateness of the charters adopted by each such Committee, and as deemed appropriate, recommend changes to the Board.

D. CEO, CFO, COO, OTHER EXECUTIVE OFFICERS AND COMPENSATION AND BENEFITS POLICIES

1. Appoint the executive officers of the Corporation including the Chief Executive Officer (the "CEO"), the Chief Financial Officer (the "CFO") and the Chief Operating Officer (the "COO") (collectively, the "Executive Officers");
2. Develop a written position description for the role of the CEO;
3. Develop the corporate goals and objectives that each Executive Officer is responsible for meeting and reviewing the performance of each Executive Officer against such corporate goals and objectives;

4. Evaluate the performance of each Executive Officer in relation with the corporate and personal objectives set by the Board;
5. Approve the Corporation's compensation and benefits policy or any changes thereto for Executive Officers and approval, by the independent directors, all forms of compensation for the CEO, CFO and COO;
6. Ensure that the Corporation's compensation and benefits policy create and reinforce good conduct, ethical behavior and promote reasonable risk taking;
7. Satisfy itself as to the integrity of the Executive Officers and senior management personnel and that the Executive Officers, and senior management personnel create a culture of integrity throughout the organization;
8. Provide stewardship in respect of succession planning, and approving, as may be required, (i) the succession plan with respect to the positions of the Executive Officers, and (ii) the appointment, training and monitoring of the Executive Officers and senior management personnel;

E. RISK MANAGEMENT, CAPITAL MANAGEMENT AND INTERNAL CONTROLS

1. Identify and assess the principal risks of the Corporation's business, and ensure the implementation of appropriate systems to manage these risks;
2. Ensure the integrity of the Corporation's internal control system and management information systems and the safeguarding of the Corporation's assets;
3. Review, approve, and as required, oversee compliance with the Corporation's policy on corporate disclosure and confidentiality of information (the "**Disclosure Policy**") by Directors, Executive Officers and other management personnel and employees;
4. Review and approve the Corporation's internal and external policies for communicating and disseminating information, the whole in accordance with the Disclosure Policy;
5. Review, approve and overseeing the Corporation's disclosure controls and procedures;
6. Review and approve the Code of Ethics with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct and as required, overseeing compliance with the Code of Ethics by Directors, Executive Officers and other management personnel and employees.

F. FINANCIAL REPORTING, AUDITORS AND TRANSACTIONS

1. Review and approve, as required, the Corporation's financial statements, related financial information, and financial outlook, the whole in accordance with the Disclosure Policy;
2. Appoint, subject to approval of shareholders, (including terms and review of engagement) and remove of the external auditor and approving external auditor compensation;
3. Establishing appropriate limits on the authority delegated to the Executive Officers and management personnel to manage the business and affairs of the Corporation, the whole in accordance with the Authorization Policy.

G. LEGAL REQUIREMENTS AND DIALOGUE WITH STAKEHOLDERS

1. Oversee the adequacy of the Corporation's processes to ensure compliance by the Corporation with applicable legal and regulatory requirements;
2. Establish appropriate measures for receiving feedback from stakeholders.

H. OTHER

1. Review, approve, and as required, oversee, with the assistance of the GHRC Committee, Directors, Executive Officers and management personnel and employees compliance with the Corporation's environmental, health and safety policies;
2. Perform any other function as prescribed by law or as not delegated by the Board to one of the Committees of the Board or to management personnel.

III. BOARD CHAIR

A. APPOINTMENT OF THE BOARD CHAIR

The Board shall appoint its Chair from among the Corporation's Directors.

B. DUTIES AND RESPONSIBILITIES OF THE BOARD CHAIR

The Board Chair leads the Board in all aspects of its work and is responsible to effectively manage the affairs of the Board and ensure that the Board is properly organized and functions efficiently.

More specifically, the Board Chair shall with respect to:

1. Strategy

- a. provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board Charter and as otherwise may be appropriate;
 - b. work with the Executives Officers to monitor progress on the Business Plan, annual budgets, policy implementation and succession planning;
2. Board structure and management
- a. chair the Board meetings;
 - b. in consultation with the Executive Officers and the Corporate Secretary and the Committee Chairs, as appropriate, determine the frequency, dates and locations of meetings of the Board, of Committees, and of the shareholders;
 - c. in consultation with the Executive Officers and the Corporate Secretary, review the meeting agendas to ensure all required business is brought before the Board to enable it to efficiently carry out its duties and responsibilities;
 - d. ensure the Board has the opportunity, if and when required, to meet separately without non-independent directors and management personnel present;
 - e. ensure, in consultation with the Committee Chairs, that all items requiring Board and Committee approval are appropriately tabled;
 - f. ensure the proper flow of information to the Board and review, with the Executive Officers and the Corporate Secretary, the adequacy and timing of materials in support of management personnel's proposals; and
 - g. in conjunction with the relevant Committee (and its Chair), review and assess the Directors' meeting attendance records and the effectiveness and performance of the Board, its Committees (and their Chairs) and individual Directors.
3. Shareholders
- a. chair the annual, and any special meeting, of the shareholders; and
 - b. ensure that all business that is required to be brought before a meeting of shareholders is brought before such meeting.

IV. LEAD DIRECTOR

A. APPOINTMENT OF LEAD DIRECTOR

If the appointed Board Chair is also an Executive Officer, the Directors will appoint a Lead Director that will perform the duties and responsibilities associated with the Chair. The Lead Director should be able to stand sufficiently back from the day-to-day running of the business to ensure that the Board is in full control of the Corporation's affairs and attentive to its obligations to its shareholders.

B. DUTIES AND RESPONSIBILITIES OF THE LEAD DIRECTOR

The Lead Director shall have the following responsibilities:

- a. oversee that the Board discharges its responsibilities, ensure that the Board evaluates performance of management objectively and that the Board understands the boundaries between the Board and management responsibilities;
- b. perform the duties of the Chair when there is a conflict of interest between the Board Chair and Executive Officer roles;
- c. in the absence of the Board Chair, serve as acting Chair presiding over meetings of the Board and shareholders;
- d. review agendas and give input for meetings of the Board in advance with the Board Chair;
- e. convene and preside over meetings of the independent directors and communicate the results of these sessions where appropriate to the Board Chair, other management or the Board;
- f. in general serve as principal liaison between the independent directors and the Board Chair and between the independent directors and management;
- g. provide advice, counsel and mentorship to the Executive Officers and fellow members of the Board; and
- h. review annually, on a retrospective basis, the expenses of the Board Chair and of the Executive Officers of the Corporation.

V. EVALUATION OF THE BOARD

The Board shall, on an annual basis, evaluate and review its performance as a whole, as well as the performance of each individual director while taking into account: (i) in the case of the Board as a whole, the present Charter, and (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Board.

VI. OUTSIDE ADVISORS

The Board shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Board in the performance of its functions. The Corporation shall provide appropriate funding for such advisors as determined by the Board.

VII. MEMBERSHIP

The majority of the members shall, pursuant to applicable laws, rules, regulations and listing requirements: (i) meet the independence test; and (ii) have the required experience and qualifications as determined by the Board.

VIII. TERM

The members of the Board shall be appointed or changed by resolution of the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are so appointed.

IX. PROCEDURES FOR MEETINGS

The Board shall fix its own procedure at meetings and for the calling of meetings. Meetings of the Board will be held quarterly, or more frequently, as required. Independent directors may meet before or after each Board meeting or more often if required.

Directors are expected to attend all meetings of the Board and review, in advance, the meeting materials.

X. QUORUM AND VOTING

The majority of the Board shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Board Chair is absent, the Chair of the meeting will be the Lead Director. At a meeting, any question shall be decided by a majority of the votes cast.

XI. SECRETARY

Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Board.

XII. RECORDS

The Board shall keep such records as it may deem necessary of its proceedings.

XIII. REVIEW OF CHARTER

The Board will annually review and assess the adequacy of the Board Charter.

ANNEXE B
TERMS OF REFERENCE FOR THE
PRESIDENT AND CHIEF EXECUTIVE OFFICER

See attached document.

POSITION DESCRIPTION FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF GOODFOOD MARKET CORP. (THE “CORPORATION”)

I. INTRODUCTION

The President and Chief Executive Officer is responsible for the general direction and management of the business and affairs of the Corporation in accordance with the corporate strategy and objectives approved by the Board of Directors (the “**Board**”), within the authority limitations delegated by the Board. The President and Chief Executive Officer develops the strategic direction of the Corporation to create sustainable long-term shareholder value.

II. KEY RESPONSIBILITIES

A. Corporate Strategy and Leadership:

1. Develop and recommend to the Board a corporate strategy designed to achieve sustained, profitable growth with an objective of maximizing value and ensuring the long-term success of the business;
2. Review and report regularly to the Board the Corporation’s progress against its objectives, and all material deviations from such objectives and strategies, including any proposed changes as required, while informing the Board in early stages of the strategic plan development;
3. Foster a corporate culture that promotes ethical practices and integrity and maintains a positive work environment in an effort to attract, motivate and retain top talent at all levels in the Corporation;
4. Lead and oversee the required interfaces between the Corporation and the external constituencies, and act as the principal spokesperson for the Corporation;
5. Manage key resources of the Corporation, including financial, human and other resources to implement and achieve the Corporation’s strategic plan and ensure the implementation of effective control, monitoring and performance standards and systems relative to the utilization of all corporate resources for greater success and effectiveness;
6. Manage the significant risks of the Corporation’s businesses and ensure that proper procedures are established to mitigate the impact of the risks in the best interest of the shareholders;
7. Recruit and manage an effective and appropriate senior leadership team;
8. Establish and maintain succession plans for current and future potential senior management positions, to be approved by the Board.

B. Financial Leadership:

1. Oversee the development of an annual business plan that supports the strategic direction to be approved by the Board which would include the development of: (1) annual operating forecasts of revenue, expenditures, operational results and financial performance, (2) an effective oversight of the capital structure and ongoing financial management of the Corporation and (3) appropriate and strategic deployment of the Corporation's capital.

C. Compliance & Governance:

1. Ensure that effective control and coordination mechanisms for all operations and activities are in place, including the establishment and development of effective internal controls over financial reporting and mechanisms providing for the ongoing integrity of the Corporation's management information systems;
2. Ensure that all operations and activities of the Corporation are conducted in accordance with laws, regulations, the Corporation's Code of Ethics, disclosure and trading policies, sound business practice and in accordance with any policies and practices approved by the Board;
3. Foster a high performance corporate culture that promotes ethical practices and encourages individual integrity, accountability, and social responsibility, and ensure every officer of the Corporation acts honestly and in good faith with a view to the best interests of the Corporation.

D. Outside Stakeholder & Board Communication:

1. Ensure effective Board communication with sufficient, timely information on all material aspects of the Corporation's operations and financial affairs, as well as other matters relevant to the Corporation;
2. Ensure effective communication and appropriate relationships are maintained with all the stakeholders of the Corporation and investors.

III. PRESIDENT AND CHIEF EXECUTIVE OFFICER PERFORMANCE ASSESSMENT

On behalf of the Board, the Governance, Human Resources and Compensation Committee reviews and recommends to the Board the annual objectives for which the President and Chief Executive Officer is responsible. At the end of the year, the Committee evaluates the performance of the President and Chief Executive Officer including the assessment of such objectives for the year and recommends to the Board the President and Chief Executive Officer's compensation.

ANNEXE C
OPTION PLAN ORDINARY RESOLUTION

WHEREAS the Corporation wishes to amend the terms and conditions of the Stock Option Plan in order to increase the number of Options, and the number of shares issuable pursuant to the exercise of Options, available for issuance under the Stock Option Plan from 5% to 7.5% of the Company's issued and outstanding Common Shares from time to time, the whole as more particularly described in the Management Proxy Circular of the Company dated November 22, 2018 (the "Circular");

WHEREAS on November 22, 2018, the Board of Directors approved a grant of a total of 316,222 Options to 28 employees of the Company (none of whom are insiders of the Company), expiring on December 4, 2026, with a strike price equal to the closing price of the Common Shares on the TSX on December 3, 2018 which, when granted on December 4, 2018, would exceed the number of Options available for issuance under the Stock Option Plan prior to the Option Pool Increase (the "Options Subject to Ratification"), the whole as more particularly described in the Circular;

WHEREAS the proposed amendments to the Stock Option Plan of the Company require Shareholders' approval pursuant to the terms of the Stock Option Plan and Section 613 of the TSX Company Manual.

IT IS HEREBY RESOLVED THAT:

1. the amendment to the Stock Option Plan to increase the number of Options, and the number of shares issuable pursuant to the exercise of Options, available for issuance under the Stock Option Plan from 5% to 7.5% of the Company's issued and outstanding Common Shares from time to time be and is hereby approved.
2. the Options Subject to Ratification be and are hereby approved.
3. any director or officer of the Company be and is hereby authorized to do such things and to sign, execute and deliver all instruments and documents that such director and officer may, in his or her discretion, determine to be necessary or desirable in order to give full effect to the intent and purpose of this resolution.