

**GENESIS LAND DEVELOPMENT CORP.**

**NOTICE OF 2019 ANNUAL GENERAL MEETING  
AND MANAGEMENT INFORMATION CIRCULAR**

**MARCH 19, 2019**

**GENESIS**

## CONTENTS

|                                                                                  |    |
|----------------------------------------------------------------------------------|----|
| PART I – BUSINESS OF THE MEETING .....                                           | 5  |
| Financial Statements and Auditors' Report .....                                  | 5  |
| Election of Directors .....                                                      | 5  |
| Appointment and Remuneration of Auditors .....                                   | 10 |
| Accounting Fees and Services .....                                               | 10 |
| Approval of the Option Plan .....                                                | 11 |
| PART II – VOTING .....                                                           | 16 |
| Solicitation of Proxies .....                                                    | 16 |
| Appointment of Proxy Holders .....                                               | 16 |
| Revocation of Proxies .....                                                      | 16 |
| Voting of Common Shares .....                                                    | 17 |
| Advice to Beneficial Holders of Securities .....                                 | 17 |
| Distributions to NOBOS and OBOS .....                                            | 17 |
| Quorum .....                                                                     | 19 |
| Voting Securities and Principal Holders Thereof .....                            | 19 |
| Majority Voting Policy .....                                                     | 19 |
| PART III – COMPENSATION .....                                                    | 20 |
| General .....                                                                    | 20 |
| Compensation of the Board of Directors .....                                     | 20 |
| PART IV – COMPENSATION DISCUSSION AND ANALYSIS .....                             | 24 |
| 2018 Executive Changes .....                                                     | 24 |
| Compensation of Executive Officers .....                                         | 24 |
| Summary Compensation Table .....                                                 | 31 |
| Significant Terms of Compensation Plan and Executive Employment Agreements ..... | 33 |
| Termination .....                                                                | 33 |
| Former Executive .....                                                           | 35 |
| PART V – OTHER INFORMATION .....                                                 | 35 |
| Indebtedness to the Corporation .....                                            | 35 |
| Interest of Informed Persons in Material Transactions .....                      | 35 |
| Dividends .....                                                                  | 35 |
| Normal Course Issuer Bid .....                                                   | 36 |
| Conflict of Interest .....                                                       | 36 |
| Risk Oversight .....                                                             | 36 |
| Hedging .....                                                                    | 37 |
| Interest of Certain Persons or Companies in Matters to Be Acted Upon .....       | 37 |
| Statement of Corporate Governance Practices .....                                | 37 |
| Canadian Corporate Governance Requirements .....                                 | 38 |
| PART VI – ADDITIONAL INFORMATION .....                                           | 38 |
| Availability of Information .....                                                | 38 |
| Communicating with the Board .....                                               | 38 |
| SCHEDULE "A" .....                                                               | 39 |
| CORPORATE GOVERNANCE DISCLOSURE .....                                            | 39 |
| SCHEDULE "B" .....                                                               | 45 |
| MANDATE OF THE BOARD .....                                                       | 45 |
| APPENDIX "1" .....                                                               | 48 |
| 2018 STOCK OPTION PLAN .....                                                     | 48 |

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All information contained in this Management Information Circular is dated as at March 19, 2019 unless otherwise noted.

## INVITATION TO SHAREHOLDERS

Dear Fellow Shareholders:

On behalf of our Board of Directors and management team, I invite you to attend the 2019 annual meeting of shareholders (the “**Meeting**”) of Genesis Land Development Corp. (“**Genesis**”, the “**Corporation**”, “**we**” or “**our**”) to be held on Thursday, May 9, 2019 at 1:00 p.m. (Mountain Daylight Time) at:

The Saddlestone Boardroom  
Genesis Head Office  
7315 – 8th Street. NE  
Calgary, Alberta  
T2E 8A2

At the Meeting, we will review the Corporation’s 2018 operating and financial performance and provide an update for 2019. You will have an opportunity to meet members of our management team and Board of Directors to discuss items of interest to you. The business items to be dealt with are described in the accompanying Notice of Meeting and Management Information Circular (the “**Circular**”). In addition to the Circular and related proxy materials, documentation and information concerning Genesis is available on our website at [www.genesisland.com](http://www.genesisland.com).

If you are unable to attend the Meeting in person, or if you hold your Common Shares in the name of a nominee, such as a brokerage firm, I encourage you to vote in advance, as described on page 16 of the Circular.

I look forward to seeing you at the Meeting.

Sincerely,

(Signed)  
“*Stephen J. Griggs*”

**Stephen J. Griggs**  
Executive Chair of the Board

March 19, 2019

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT** the Annual Meeting (the “**Meeting**”) of holders of common shares (“**Common Shares**”) of Genesis Land Development Corp. (the “**Corporation**”) will be held in the Saddlestone Boardroom at the Genesis Head Office, 7315 8th Street NE, Calgary, Alberta, T2E 8A2 on Thursday, May 9, 2019 at 1:00 p.m. (Mountain Daylight Time), for the following purposes:

- 1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2018 and the report of the auditors thereon;
- 2. to fix the Board of directors of the Corporation to be elected at the Meeting at 5 members and to elect the Board of directors of the Corporation for the ensuing year;
- 3. to appoint MNP LLP, Chartered Professional Accountants, of Calgary, Alberta, as auditors of the Corporation for the ensuing year and to authorize the Board of directors of the Corporation to fix the auditors' remuneration;
- 4. to consider and if thought advisable, pass an ordinary resolution to approve the Corporation’s Stock Option Plan, as more particularly described in the Management Information Circular of the Corporation dated March 19, 2019 (the “**Circular**”); and
- 5. to transact any such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Shareholders of record of Common Shares at the close of business on March 29, 2019 will be entitled to vote at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to date and execute the enclosed form of proxy and return it in the envelope provided for that purpose. Alternatively, shareholders may vote by proxy, by telephone or over the internet (please refer to page 16 of the accompanying Circular for further information).

In order to be valid and acted upon at the Meeting, the proxy must be received by Computershare Trust Company of Canada (the “**Transfer Agent**”) not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournments or postponements thereof. Shareholders are cautioned that the use of the mail to transmit proxies is at shareholders’ risk. The Chair of the Meeting has discretion to waive or extend the proxy deadline.

**DATED** at the City of Calgary, in the Province of Alberta, the 19<sup>th</sup> day of March, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Stephen J. Griggs”*

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**Stephen J. Griggs**  
 Executive Chair of the Board  
 Genesis Land Development Corp.

**IMPORTANT**

*It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Common Shares represented, please complete the enclosed form of proxy and return it as soon as possible in the envelope provided for that purpose. Late forms of proxy may be accepted or rejected by the Chair of the Meeting in his sole discretion and the Chair is under no obligation to accept or reject any late forms of proxy.*

## **Forward-Looking Statements**

*Certain statements in this Circular and any information incorporated herein by reference constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation, including Canadian Securities Administrators' National Instrument 51-102 'Continuous Disclosure Obligations', concerning the business, operations and financial performance and condition of the Corporation generally and in particular including the proposed composition and development timing and completion of the Corporation's projects. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".*

*Although the Corporation believes that the anticipated future results, performance or achievements expressed or implied by forward-looking statements are based upon reasonable assumptions and expectations, investors should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors many of which are beyond the Corporation's control, which may cause the actual results, performance or achievements of the Corporation to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, the Corporation cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements.*

*Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to: the impact of contractual arrangements and incurred obligations on future operations and liquidity; local real estate conditions, including the development of properties in close proximity to the Corporation's properties; the uncertainties of real estate development and acquisition activity; fluctuations in interest rates; ability to access and raise debt and capital on favourable terms; not realizing on the anticipated benefits from transactions or not realizing on such anticipated benefits within the expected time frame; labour matters, governmental regulations, stock market volatility and other risks and factors described from time to time in the documents filed by the Corporation with the securities regulators in Canada available at [www.sedar.com](http://www.sedar.com), including the Corporation's most recent Management Discussion & Analysis under the heading "Risks and Uncertainties" and the Corporation's most recent Annual Information Form under the heading "Risk Factors", both of which are available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Furthermore, the forward-looking statements contained in this Circular are made as of the date of this Circular and, except as required by applicable law, the Corporation does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.*

## PART I – BUSINESS OF THE MEETING

This Management Information Circular (“**Circular**”) is furnished in connection with the solicitation of proxies by the board of directors (the “**Board**”) and management of Genesis Land Development Corp. (“**Genesis**” or the “**Corporation**” or “**our**”), to be used at the Annual Meeting of holders of Common Shares of the Corporation to be held on Thursday, May 9, 2019, at 1:00 p.m. (Mountain Daylight Time), in the Saddlestone Boardroom at Genesis Head Office, 7315 - 8th Street NE, Calgary, Alberta, T2E 8A2 and at any adjournment or postponement thereof for the purposes set out in the accompanying notice of meeting (the “**Notice**”).

All information contained in this Circular is dated as at March 19, 2019 unless otherwise noted.

As set forth in the accompanying Notice, the business to be conducted at the Meeting consists of the following matters:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2018 and the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at 5 members and to elect the Board of the Corporation;
3. to appoint MNP LLP, Chartered Professional Accountants, of Calgary, Alberta, as auditors of the Corporation for the ensuing year and to authorize the Board of directors of the Corporation to fix the auditors’ remuneration;
4. to consider and if thought advisable, pass an ordinary resolution to approve the Corporation’s Stock Option Plan, as more particularly described in the Circular; and
5. to transact any such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation. The record date to determine the shareholders entitled to receive notice of and to vote at the Meeting is March 29, 2019 (the “**Record Date**”).

### Financial Statements and Auditors’ Report

At the Meeting, shareholders will receive and consider the financial statements of Genesis for the year ended December 31, 2018 and the auditors’ report thereon. No vote by the shareholders with respect to these statements is required or proposed to be taken. The audited consolidated financial statements for the year ended December 31, 2018 may be obtained from the Corporation upon request and copies will be available at the Meeting. Copies of the Corporation’s annual and interim financial statements are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Election of Directors

#### *Nomination Process – Skills, Experience, Independence and Diversity*

The Governance and Compensation Committee (the “**Committee**”) is comprised of three directors, two of whom are independent of management. The Committee makes decisions on a majority basis and all recommendations go to the Board for review and approval. Acting under its terms of reference, the Committee is responsible for establishing general criteria for the election and re-election of directors, composition of Board committee membership, identifying and recommending candidates to the Board for election and re-election by the shareholders, and assessing the current Board based on the skills matrix set out below. The goal is to ensure that the Board as a whole possesses the necessary independence, qualities, attributes, experience and skills required to effectively oversee the strategic direction and management of the Corporation. In addition to skills and experience the Committee considered the following factors in proposing the director candidates listed below:

- Genesis is a small public company with concentrated share ownership operating in the difficult Alberta market.
- Diversity of directors including age, gender and cultural background (without establishing quotas or targets at this time).
- Independence considering applicable Canadian securities laws and regulations and the Toronto Stock Exchange (“TSX”) corporate governance rules – particularly the requirements for members of the Audit Committee.
- Continuity of the directors while providing for regular renewal of the Board.

The Committee and the Board are confident that the proposed nominees balance all of these factors. The Board notes that skills and experience are the dominant factor in all cases but also considers the diversity of the Board members. While it is proposed to reduce the size of the Board from 7 directors to 5 directors, the Board will consider appointing a director prior to the next annual meeting to add skills and experience primarily related to the core business of Genesis, and or to increase the diversity of the Board.

The directors have the management and industry skills/experience (1=primary; 2=secondary) as set forth in the table below:

|                                                | Stephen J. Griggs | Steven Glover | Mark Mitchell | Loudon Owen | Iain Stewart |
|------------------------------------------------|-------------------|---------------|---------------|-------------|--------------|
| <b>Management Skills / Experience</b>          |                   |               |               |             |              |
| Executive Leadership                           | 1                 | 1             | 1             | 1           | 1            |
| Human Resources                                | 1                 | 2             | 2             | 2           | 2            |
| Legal and Corporate Governance                 | 1                 | 2             | 2             | 1           | 2            |
| Financially Literate / Corporate Finance       | 1                 | 1             | 1             | 1           | 1            |
| Capital Allocation / Acquisitions/Dispositions | 1                 | 1             | 1             | 1           | 1            |
| Risk Management                                | 1                 | 2             | 2             | 2           | 2            |
| <b>Industry Skills / Experience</b>            |                   |               |               |             |              |
| Land Development and Urban Planning            | 2                 | 2             | 2             | 2           | 1            |
| Single Family Home Building                    | 2                 | 2             | 2             | 2           | 1            |
| Real Estate Sales and Marketing                | 2                 | -             | -             | 2           | 1            |

At least annually, the Committee reviews the current profile of the Board including representation of various areas of expertise, experience and diversity. The Board has adopted independence standards that derive from applicable Canadian securities laws and the TSX corporate governance rules. Based upon such standards, all members of the Audit Committee are independent. The process and skills matrix is reviewed annually to reflect the current needs of the Board and strategic priorities of the Corporation.

#### **Gender Diversity**

Genesis has adopted a written policy on gender diversity, which includes the gender of a potential candidate as one component in the overall list of factors it considers when selecting candidates for executive officer and senior manager appointments, and membership on the Board and its committees. The Board is of the opinion that if gender was the overriding factor governing the selection of Board nominees, it could unduly restrict the Board's ability to select the most appropriate nominees and candidates.

The Board has not set a target for the number or percentage of women that it wishes to have on the Board or in executive positions.

### *Proposed Nominees*

The nominees (collectively, the "**Nominees**" and each a "**Nominee**") for election as directors of Genesis are:

**Stephen J. Griggs**

**Steven Glover**

**Mark W. Mitchell**

**Loudon Owen**

**Iain Stewart**

In the opinion of the Committee and the Board, the Nominees are well qualified to continue to act as directors for the ensuing year. Each nominee has established his eligibility and willingness to continue to serve as a director, if elected. Each director, if elected, will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-laws of the Corporation.

The individuals named in the accompanying form of proxy as proxyholders are either officers ("**Officers**") or directors of Genesis and intend to vote at the Meeting for fixing the number of directors at 5 members and to vote for the election of the nominees whose names are set forth above, unless specifically instructed on the form of proxy to withhold such vote. The election of directors will be decided by a majority of the votes cast at the meeting by shareholders present, in person, or by proxy. **The Board and management recommend that shareholders vote in favour of each of the above-named Nominees.**

If, for any reason, any of the Nominees is unavailable to serve, the persons designated in the form of proxy will be able to vote in their discretion for any substitute nominee or nominees. The persons named in the enclosed form of proxy intend to vote "**FOR**" the election of any substitute nominee or nominees recommended by management of the Corporation.

The enclosed form of proxy permits you to vote in favour of all of our Nominees, to vote in favour of some Nominees and to withhold votes for other Nominees, or to withhold votes for all Nominees. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies "**FOR**" the election of all Nominees specified as above.

### *Director Nominee Profiles*

Set forth below is biographical and other information with respect to each of the Nominees for election as Director, including principal occupation, business or employment for the past five years or more, and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at March 19, 2019. In addition, the table lists other public companies with whom each nominee is currently serving as a Director.

**Stephen J. Griggs**  
B.A., J.D.  
Mississauga, Ontario,  
Canada

Stephen J. Griggs, Executive Chair of Genesis, is also the CEO of Smoothwater Capital Corporation, a private investment company based in Toronto, and the largest shareholder of Genesis.

Mr. Griggs is Chair of the Board and CEO of Haventree Holdings Inc., which owns Haventree Bank, (an OSFI regulated bank focusing on the near prime residential mortgages), of which he is Chair of the Board. Mr. Griggs is also a member of the Independent Review Committees of the mutual and pooled funds of the Bank of Nova Scotia. He is also the CEO of Underwood Capital Partners Inc., a private investment company, and has been the President and CEO of a major public sector pension plan, and the CEO or COO of several large Canadian based institutional and retail investment managers. Mr. Griggs was a corporate/commercial lawyer and a securities partner with the Toronto law firm Smith Lyons (now Gowlings) until 1994 and remains a member of the Law Society of Ontario with a J.D. from the University of Toronto Law School. Mr. Griggs has been an adjunct professor at Osgoode Hall Law School teaching in the area of corporate governance.

|                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                           | <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"> <li>• Age: 59</li> <li>• Not independent of management</li> <li>• Director since August 28, 2013</li> <li>• Executive Chair of the Board since September, 2018</li> <li>• Chief Executive Officer from February, 2016 to September, 2018</li> <li>• Chair of the Governance and Compensation Committee</li> <li>• Member of the Transaction Review Committee</li> <li>• Areas of expertise: strategy, executive management, Canadian law, investment management and corporate governance</li> <li>• <b>Attendance at Board meetings in 2018 to date: 8/8 (100%)</b></li> <li>• <b>Common Shares owned: 15,224,635 <sup>(1)</sup></b></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>Steven Glover</b><br/>M.B.A., F.C.P.A., F.C.A.<br/>Canmore, Alberta,<br/>Canada</p> | <p>Mr. Glover, Lead Director of Genesis, has previously served as an executive officer of several reporting issuers or listed entities, most recently (2010 – 2018) as the Chief Financial Officer of Clearview Resources Ltd. He is a director and Chair of the Audit Committee of the Mutual Fund Dealers Association of Canada. Formerly, he was the Vice Chair, director and Chair of the Audit Committee of Travel Alberta, a Crown Corporation.</p> <p>Mr. Glover holds a Bachelor of Mathematics from the University of Waterloo and an M.B.A. from the University of Alberta. He is a Fellow of the Chartered Professional Accountants and served as the executive director of the Institute of Chartered Accountants of Alberta from 1984 to 2005.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"> <li>• Age: 66</li> <li>• Independent</li> <li>• Director since November 18, 2010</li> <li>• Lead Director</li> <li>• Chair of the Audit Committee</li> <li>• Member of the Governance and Compensation Committee<sup>(2)</sup></li> <li>• Areas of expertise: finance, corporate governance, and executive management</li> <li>• <b>Attendance at Board meetings in 2018 to date: 8/8 (100%)</b></li> <li>• <b>Common Shares owned: 35,400</b></li> </ul> |
| <p><b>Mark W. Mitchell</b><br/>B.A., M.B.A.<br/>Calgary, Alberta,<br/>Canada</p>          | <p>Mr. Mitchell currently serves as President of Reliant Capital Limited, a real estate finance company. Mr. Mitchell holds a B.A. (Distinction) in Economics from Stanford University and a M.B.A. from the Wharton School of the University of Pennsylvania.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"> <li>• Age: 56</li> <li>• Independent</li> <li>• Director since June 29, 2010</li> <li>• Member of the Transaction Review Committee<sup>(3)</sup></li> <li>• Areas of expertise: corporate strategy and finance</li> <li>• <b>Attendance at Board meetings in 2018 to date: 8/8 (100%)</b></li> <li>• <b>Common Shares owned: 5,273,633 <sup>(4)</sup></b></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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| <p><b>Loudon Owen</b><br/>B.A., J.D., M.B.A.<br/>Toronto, Ontario,<br/>Canada</p>                 | <p>Mr. Owen is a managing partner at McLean Watson Capital Inc., a venture capital investment firm. Mr. Owen is a venture capitalist, international businessman, and lawyer. His career has spanned more than 30 years, during which he has both led and actively participated in the growth of a host of successful businesses, in addition to extensive charitable and non-profit activities. Mr. Owen currently serves on the boards of the following reporting issuers: Avesoro Resources Inc. (TSX and AIM) and Kilo Goldmines Ltd. (TSX Venture Exchange and Frankfurt Exchange). He previously served on the board of Brookfield Development Corp. in the real estate industry. Mr. Owen holds a B.A. from the University of Toronto, a J.D. from Osgoode Hall Law School, Toronto and an M.B.A. from INSEAD.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"> <li>• Age: 61</li> <li>• Independent</li> <li>• Director since March 22, 2013</li> <li>• Member of the Governance and Compensation Committee<sup>(5)</sup></li> <li>• Areas of expertise: corporate law</li> <li>• <b>Attendance at Board meetings in 2018 to date: 6/8 (75%)</b></li> <li>• <b>Common Shares owned: 1,273,800 <sup>(6)</sup></b></li> </ul> |
| <p><b>Iain Stewart</b><br/>B.Comm., C.P.A., C.A.,<br/>ICD.D.<br/>Calgary, Alberta,<br/>Canada</p> | <p>Iain Stewart, President and Chief Executive Officer of Genesis, is the former Co-Founder and Co-CEO of Parkbridge Lifestyle Communities Inc., Canada's pre-eminent land lease community owner and operator. He has over 30 years of experience in all aspects of the real estate industry in Canada.</p> <p>He currently serves on the board of directors and audit committee of a private financial services company and serves on the board of directors of a not for profit organization which supports projects in developing countries. He holds a Bachelor of Commerce from the University of Alberta, and C.P.A. and ICD.D designations.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"> <li>• Age: 58 years</li> <li>• Not independent of management</li> <li>• Director since September 4, 2013</li> <li>• Areas of expertise: real estate management, development and investment, corporate strategy, restructuring, and finance.</li> <li>• <b>Attendance at Board meetings in 2018 to date: 8/8 (100%)</b></li> <li>• <b>Common Shares owned: 51,100 <sup>(7)</sup></b></li> </ul>                                                                                                                                 |

**Notes**

- <sup>(1)</sup> Stephen J. Griggs is the CEO of Smoothwater Capital Corporation ("Smoothwater") which beneficially owns, or controls or directs, directly or indirectly, 15,224,635 Common Shares. Smoothwater is a corporation wholly-owned by Garfield Mitchell who, together with Smoothwater, beneficially owns, or controls or directs, directly or indirectly, 15,236,635 Common Shares, representing approximately 36.1% of the outstanding Common Shares.
- <sup>(2)</sup> Mr. Glover was appointed to the Governance and Compensation Committee on September 20, 2018.
- <sup>(3)</sup> Mr. Mitchell will be appointed to the Audit Committee after the conclusion of the Meeting.
- <sup>(4)</sup> Mark Mitchell holds 5,194,433 Common Shares through MWM Enterprises Limited and owns 79,200 Common Shares through RRSPs and TFSAs.
- <sup>(5)</sup> Mr. Owen will be appointed to the Audit Committee after the conclusion of the Meeting.
- <sup>(6)</sup> Loudon Owen owns 49.9% of the outstanding shares of Liberty Street Capital Corp., which beneficially owns, or controls or directs, directly or indirectly, 1,273,800 Common Shares.
- <sup>(7)</sup> Iain Stewart holds 34,500 Common Shares through Capella Cove Capital Corp., and 16,600 Common Shares through TFSA.

### **Cease Trade Orders**

None of those persons who are proposed directors of the Corporation, other than Loudon Owen, is, or has been, within 10 years prior to the date of this Circular, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Corporation that:

- i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer of the relevant company; or
- ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

As a result of not filing its annual financial statements, management's discussion and analysis and related certifications for the year ended December 31, 2012 by the filing deadline, Echelon Capital Corp. was made subject to a temporary cease trade order on May 13, 2013, followed by a permanent cease trade order dated May 24, 2013. Mr. Owen had been a director and the Chief Executive Officer of Echelon Capital Corp. but resigned both positions on April 30, 2013, prior to said cease trade order coming into effect. Echelon Capital Corp. was delisted from the TSX Venture Exchange on September 26, 2013.

Mr. Owen served as a director of Hanfeng Evergreen Inc. ("**Hanfeng**") until February 24, 2014. On February 19, 2014, a temporary cease trade order was issued by the Ontario Securities Commission against Hanfeng for failure to file interim financial statements for the six-month period ended December 31, 2013 and related management's discussion and analysis and certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*. It was replaced by a permanent cease trade order dated March 3, 2014. The securities commissions of each of Quebec and British Columbia have also issued permanent cease trade orders against Hanfeng.

### **Appointment and Remuneration of Auditors**

At the Meeting, shareholders will be asked to approve a resolution appointing MNP LLP, Chartered Professional Accountants, as the auditors of the Corporation for the ensuing year. The form of proxy solicited by management of the Corporation will, on any poll, be voted as directed and, if there is no direction, in favour of the appointment of MNP LLP as the auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid to the auditors. MNP LLP was first appointed auditor of the Corporation by resolution of the shareholders on August 19, 2009.

**The Board unanimously recommends that shareholders vote in favour of the re-appointment of MNP LLP as the Corporation's auditors.**

If a majority of the Common Shares represented at the Meeting should be voted against the appointment of MNP LLP as the auditor of the Corporation, the Board will appoint another firm of chartered professional accountants based upon the recommendation of the Audit Committee, which appointment for any period subsequent to the 2019 meeting of shareholders shall be subject to approval by the shareholders at the next annual general meeting of shareholders.

The Corporation has included in its Annual Information Form dated March 14, 2019 in Appendix "A" entitled "*Information Concerning Audit Committee*," certain prescribed information in respect of Audit Committee matters and audit fees.

### **Accounting Fees and Services**

The aggregate amounts billed by MNP LLP to the Corporation with respect to fees payable for audit and audit related engagements, tax, and other services in the fiscal years ended December 31, 2018 and 2017 were as follows:

| Type of Service                   | Fiscal Year Ended<br>December 2018 | Fiscal Year Ended<br>December 2017 |
|-----------------------------------|------------------------------------|------------------------------------|
| Audit Fees <sup>(1)</sup>         | \$ 170,000                         | \$ 165,000                         |
| Audit Related Fees <sup>(2)</sup> | 69,000                             | 66,000                             |
| Tax Fees <sup>(3)</sup>           | 2,000                              | 25,000                             |
| All Other Fees <sup>(4)</sup>     | 56,700                             | 66,500                             |
| <b>Total</b>                      | <b>\$ 297,700</b>                  | <b>\$ 322,500</b>                  |

#### Notes

- <sup>(1)</sup> The aggregate audit fees of the Corporation's external auditor for audit services.
- <sup>(2)</sup> The aggregate fees billed or accrued by the Corporation's external auditor for assurance and related services that are reasonably related to the performance of the quarterly reviews of the Corporation's financial statements that are not reported under 'Audit Fees'.
- <sup>(3)</sup> The aggregate fees billed or accrued by the Corporation's external auditor for professional services rendered for tax compliance, tax advice and tax planning.
- <sup>(4)</sup> The aggregate fees billed or accrued by the Corporation's external auditor for all other services provided such as but not limited to procedures relating to ICOFR as defined in NI 52-109 - "Certification of Disclosure in Issuers' Annual and Interim Filings" and other miscellaneous services.

The Audit Committee of the Corporation considered the fees and determined that they were reasonable and do not affect the independence of the Corporation's auditors. Further, the Audit Committee determined that in order to ensure the continued independence of the auditors, only limited non-audit related services would be provided to the Corporation by MNP LLP and in such case, only with the prior approval of the Audit Committee.

### Approval of the Option Plan

Effective September 20, 2018, the Board adopted a stock option plan (the "Option Plan"), subject to the approval of the TSX and the approval of the Shareholders.

#### Summary of the Option Plan

The following is a summary of the Option Plan, a copy of which is attached to this Circular as Appendix "1".

The Option Plan provides for grants of options (each, an "Option") to purchase Common Shares (each, an "Option Share") to certain eligible persons (each, a "Participant", defined under the Option Plan to be a person who is either regularly employed by, an officer or director of, or a consultant to, the Corporation or one of its subsidiaries, or a corporation which is wholly owned by any of the foregoing persons). The purpose of the Option Plan is to develop the interest of Participants who have been granted Options by the Corporation (each, an "Optionee") in the growth and development of the Corporation by providing them with the incentive and opportunity to acquire an increased proprietary interest in the Corporation and to better enable the Corporation and its subsidiaries to attract and retain persons of desired experience and ability.

The maximum number of Common Shares issuable pursuant to the Options issued and outstanding under the Plan cannot exceed ten (10%) percent of the aggregate number of issued and outstanding Common Shares at the time of grant of any Option, as determined on a non-diluted basis. In addition: (a) the aggregate number of Common Shares issued under the Option Plan and under any other security-based compensation arrangement of the Corporation, if any, to insiders of the Corporation (within the meaning ascribed to the term "insiders" in the *Securities Act* (Alberta) and which also includes Associates and affiliated persons or companies within the meaning ascribed thereto in the *Securities Act* (Alberta)) within any one year period, cannot exceed ten (10%) percent of the issued and outstanding Common Shares; and (b) the aggregate number of Common Shares issuable under the Option Plan and under any other security-based compensation arrangement of the Corporation, if any, to insiders cannot exceed ten (10%) percent of the issued and outstanding Common Shares. The Option Plan does not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the Option Plan and any other security-based compensation arrangement (expressed as a percentage or otherwise).

The Option Plan is administered by the Board, which has authority to delegate the administration and operation of the Option Plan to the Governance and Compensation Committee of the Board and to determine the terms and conditions of any agreement

governing the grant of Options (each, an “**Option Agreement**”).

Under the Option Plan:

1. The vesting of the Options will be determined by the Board at the time of grant in the applicable Option Agreement.
2. The purchase price of the Option Shares (the “**Exercise Price**”) is set by the Board and may not be less than the closing price of the Common Shares on the TSX on the last trading day immediately preceding the date on which the Option is granted (the “**Option Date**”).
3. Each Option terminates on the date specified in the particular Option Agreement, which date may not be later than ten years after the Option Date (the “**Normal Expiry Date**”), subject to the early termination provisions described below.
4. If, after the Option Date and on or before the exercise in full of the Option or the Normal Expiry Date, the Optionee ceases to be a Participant: (i) by reason of the Optionee’s permanent physical or mental disability or death, then such Optionee’s vested and unvested Options may be exercised by the earlier of the Normal Expiry Date and the date that is 12 months after the date the Optionee ceases to be a Participant; (ii) due to the Optionee’s employment being terminated by the Corporation for cause, where the Optionee is not entitled to notice or to a period of notice or compensation in lieu thereof, the Optionee may exercise any vested Options prior to the earlier of the Normal Expiry Date and the date that is 10 days after the date the Optionee ceases to be a Participant; or (iii) due to the Optionee’s employment being terminated by the Corporation without notice or compensation in lieu thereof, where the Optionee is entitled to reasonable notice or compensation in lieu thereof, then the Optionee may exercise any vested Options prior to the earlier of the Normal Expiry Date and the date the Optionee ceases to be a Participant (if the Optionee is given a reasonable period of notice) or the date that is 21 days after the date the Optionee ceases to be a Participant (if the Optionee is paid compensation in lieu of reasonable notice). In each of the foregoing cases, the Participant has to exercise its Options on or before the earlier of the Normal Expiry Date and the applicable date that is set out in the Option Plan. If the Optionee does not exercise its Options prior to the required date, all of its unexercised rights to acquire Option Shares thereunder, whether or not such rights have vested to and in favour of the Optionee, cease and expire and are of no further force and effect.
5. If the expiry date of an Option is on a date during a period of time imposed by the Corporation upon certain designated persons during which those persons may not trade in any securities of the Corporation (a “**Black-Out Period**”) and that Black-Out Period applies to the Participant holding that Option, the expiry date will be extended to the date that is ten (10) business days from the date the Black-Out Period ends.
6. In the event of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise, or in the event of any issuance of shares or distribution in kind of securities or other change to the Common Shares, the Board will proportionately adjust the number of Option Shares available for Options, the number of Option Shares covered by outstanding Options, the securities or other property that may be acquired upon the exercise of an Option and the price per Option Share in such Option, or one or more of the foregoing, to prevent substantial dilution or enlargement of the rights granted to, or available for, Optionees and Participants. In the event of a change of control, all unexercised and unvested outstanding stock options shall immediately vest and be exercisable, but may only be purchased for tender pursuant to the subject transaction. If the subject transaction is not completed, any Common Shares issued and tendered pursuant to the transaction shall be deemed to be cancelled and returned to treasury.
7. Each Participant may also exercise a put right to require the Corporation to purchase all or part of the then vested Options which it may hold, provided, however, that the Corporation may at its sole discretion decline to accept.
8. Options may not be transferred or assigned, but will enure to the benefit of and be binding upon the legal personal representatives of the Optionee.

Subject to any required approval of any regulatory authority or the TSX, the Board may at any time or from time to time, in its sole and absolute discretion and without the approval of the Shareholders, amend, suspend, terminate or discontinue the Option Plan or may amend the terms and conditions of a specific Option granted pursuant to the Option Plan without the prior written consent of an Optionee.

The Board may also approve and effect amendments to the Plan or to a specific Option without further approval of the Shareholders

to the extent such amendment:

- a) is for the purpose of curing any ambiguity, error or omission in the Option Plan to correct or supplement any provision of the Option Plan that is inconsistent with any other provision of the Option Plan;
- b) is necessary to comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed;
- c) is an amendment to the Option Plan respecting administration and eligibility for participation under the Option Plan;
- d) is to alter, extend or accelerate the terms and conditions of vesting applicable to any Option;
- e) is to accelerate the Expiry Date of any Option;
- f) is to determine the adjustment provisions described above;
- g) amends the definitions contained in the Option Plan;
- h) amends or modifies the mechanics of exercise of Options;
- i) changes the termination provisions of an Option or the Option Plan, provided the change does not entail an extension beyond the original expiry date of such Option;
- j) is an amendment to the Option Plan of a "housekeeping nature"; or
- k) any other amendment that does not require shareholder approval under the rules, regulations and policies of the TSX.

Under the Option Plan, Shareholder approval is required for the following amendments to the Option Plan or to any Option:

- a) reduce the Exercise Price of Options benefiting an Insider;
- b) extend the expiry date of Options benefiting an Insider;
- c) increase the maximum number or percentage of Common Shares issuable pursuant to Options issued and outstanding under the Option Plan;
- d) add any form of financial assistance by the Corporation for the exercise of any Option;
- e) change the class of Participants which would have the potential of broadening or increasing participation by Insiders of the Corporation;
- f) amend, remove or exceed the Insider participation limit set out in the Option Plan; or
- g) amend the amendment provisions of the Option Plan.

#### ***Required Approvals for the Option Plan***

In order for the resolution of the Shareholders approving the Option Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. If the Option Plan is not approved by a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting, the Option Plan will immediately terminate, and all outstanding Options previously granted under the Option Plan will terminate and be of no further force and effect.

If the Option Plan is approved at the Meeting, pursuant to the rules of the TSX the Corporation will next be required to seek approval from the majority of the shareholders for all unallocated Options under the Option Plan by no later than May 9, 2022 because the Option Plan is a rolling plan and does not have a fixed maximum number of Common Shares issuable. The Board does not expect that Options will be granted between the date hereof until the date that the shareholders approve the Option Plan at the Meeting.

Set out below is the text of the ordinary resolution which management intends to place before the Meeting for the approval, adoption and ratification, with or without modification:

BE IT RESOLVED, as an ordinary resolution of the shareholders of the Corporation that:

- (a) the Option Plan, substantially in the form attached as Appendix “1” to the management information circular of the Corporation dated March 19, 2019 (the “Circular”) be and is hereby approved;
- (b) the aggregate of 2,805,000 options under the Option Plan (“Options”) to acquire up to 2,805,000 Common Shares granted to participants at prices ranging from \$3.11 to \$3.48, with expiry dates varying from September 20, 2025, to January 2, 2026 and as further described in the Circular, be and are hereby ratified and approved;
- (c) notwithstanding that this resolution has been duly passed by shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors; and
- (d) any one or more directors or officers of the Corporation are hereby authorized, for and in the name of and on behalf of the Corporation, to execute or cause to be executed and to deliver or cause to be delivered all such documents and instruments, and to do or cause to be done all such acts and things and take such other actions, including making all necessary filings with applicable regulatory bodies and stock exchanges, as such director or officer may determine to be necessary or desirable to give effect to this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument and the taking of any such action.

**We recommend that you vote FOR the approval of the Option Plan. In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote FOR the approval of the Option Plan.**

***Options Issued by the Board of the Option Plan***

Since the Option Plan was adopted by the Board on September 20, 2018, subject to shareholder approval of the Option Plan, and as of the date of this Circular, an aggregate of 2,805,000 Options to acquire up to 2,805,000 Common Shares have been granted and remain outstanding, representing in aggregate approximately 6.6% of the outstanding Common Shares (based on 42,183,621 Common Shares issued and outstanding as of the date of this Circular). As a result, Options to acquire 1,413,362 Common Shares (representing approximately 3.4% of the issued and outstanding Common Shares as of the date of this Circular) remain available for issuance under the Option Plan as of the date of this Circular. Each of the outstanding Options is subject to shareholder approval of the Option Plan. Pending such approval, none of such Options vest or are exercisable.

As at December 31, 2018, 2,025,000 Options were outstanding under the Option Plan to acquire up to 2,025,000 Common Shares, representing in aggregate approximately 4.8% of the outstanding Common Shares (based on 42,183,621 Common Shares issued and outstanding as of December 31, 2018). As a result, at December 31, 2018, Options to acquire 2,193,362 Common Shares (representing approximately 5.2% of the issued and outstanding Common Shares at that date) were available for issuance under the Option Plan.

The following table summarizes Options granted by the Board since the date the Option Plan was adopted by the Corporation, all of which remain outstanding as of the date of this Circular and which cannot vest or be exercised by the applicable Optionees unless and until the shareholders have approved and ratified the Option Plan and the grants of these Options:

|                                                        | Number of Options      | Exercise Price | Grant Date         | Expiry Date        |
|--------------------------------------------------------|------------------------|----------------|--------------------|--------------------|
| <b>Directors</b>                                       |                        |                |                    |                    |
| Directors (other than Stephen Griggs and Iain Stewart) | 675,000 <sup>(1)</sup> | \$3.12         | December 12, 2018  | December 12, 2025  |
| Stephen J. Griggs, Executive Chair and Director        | 450,000                | \$3.48         | September 20, 2018 | September 20, 2025 |
| <b>Officers</b>                                        |                        |                |                    |                    |
| Iain Stewart, President & CEO                          | 900,000                | \$3.48         | September 20, 2018 | September 20, 2025 |
| Officers (other than Iain Stewart)                     | 780,000 <sup>(2)</sup> | \$3.11         | January 2, 2019    | January 2, 2026    |

**Notes**

<sup>(1)</sup> All Directors of the Corporation, except for Stephen Griggs and Iain Stewart were each granted 135,000 stock options at an exercise price of \$3.12 on December 12, 2018.

<sup>(2)</sup> Wayne King, Chief Financial Officer, and the three Vice-Presidents, Brian Whitwell, Vice-President, Land and Financing; Arnie Stefaniuk, Vice-President of Land Development and Parveshinder Sidhu, President, of Genesis Builders Group Inc. and Vice-President of Home Building, were each granted 195,000 stock options at an exercise price of \$3.11 on January 2, 2019.

**Securities Authorized for Issuance under Equity Compensation Plans**

The following table sets forth securities authorized by the Corporation for issuance under Equity Compensation Plans in 2018, being the Option Plan, which is subject to shareholder approval at the Meeting.

| Plan Category                                             | Number of securities to be issued upon exercise of outstanding options, warrants and rights<br>(a) | Weighted-average exercise price of outstanding options, warrants and rights<br>(b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br>(c) |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by securityholders     | N/A                                                                                                | N/A                                                                                | N/A                                                                                                                                                |
| Equity compensation plans not approved by securityholders | 2,025,000                                                                                          | 3.36                                                                               | 2,193,362                                                                                                                                          |
| <b>Total</b>                                              | <b>2,025,000</b>                                                                                   | <b>3.36</b>                                                                        | <b>2,193,362</b>                                                                                                                                   |

### **Deferred Share Units**

The Corporation's Deferred Share Unit Plan (the "DSU Plan") is not a "security-based compensation arrangement" within the meaning of the TSX Company Manual because deferred share units ("DSUs") granted under the DSU Plan are to be settled in cash. (See "Part IV – Compensation Discussion and Analysis – Other Elements of Compensation – Option Plan, Share Based Compensation & Non-equity Incentive Plan Compensation – DSU Plan" on page 26 of this Circular). As a result, DSUs are not included in the determination of the aggregate number of awards issuable under the limits described above.

Other than the Option Plan, the Corporation does not currently have any security-based compensation arrangements in place.

### **Other Business**

Management is not aware of any other matters to come before the Meeting other than those set out in the Notice. If other matters come before the Meeting, it is the intention of the individuals named in the form of proxy to vote the same in accordance with their best judgment in such matters.

## **PART II – VOTING**

### **Solicitation of Proxies**

This Circular, which is being mailed to shareholders on or about April 8, 2019, is furnished in connection with the solicitation by and on behalf of management of the Corporation of proxies to be used at the Meeting to be held on Thursday, May 9, 2019 at the time and place and for the purposes set forth in the accompanying Notice, or any adjournments or postponements thereof.

The costs incurred in the preparation and mailing of both the instrument of proxy and this Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor. We may also use the services of outside firms to solicit proxies. The cost of proxy solicitation will be paid by the Corporation.

### **Appointment of Proxy Holders**

The persons named (the "Management Designees") in the accompanying form of proxy have been selected by the Board and have indicated their willingness to represent as proxy the shareholder who appoints them. ***A shareholder has the right to appoint any person (who needs not be a shareholder), other than the directors or officers of the Corporation named in the accompanying form of proxy, to attend and to vote and act for and on behalf of such person at the Meeting.***

***In order for proxies to be recognized at the Meeting or any adjournments or postponements thereof, the shareholder may insert the name of such person in the blank space provided in the instrument of proxy, or may use another appropriate form of proxy.*** All instruments of proxy must be deposited with Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment or postponement thereof. The Chairman of the Meeting may refuse to recognize any form of proxy received after such time.

### **Revocation of Proxies**

***A proxy is revocable. The giving of a proxy will not affect the right of a shareholder to attend and vote in person at the Meeting.*** A shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing, executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a corporation, executed by a duly authorized officer or attorney thereof, and deposited either at the registered office of the Corporation, 7315 – 8th Street NE, Calgary, Alberta, T2E 8A2, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the Chair of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof. The Chair of the meeting may waive or extend the proxy cut-off without notice.

## Voting of Common Shares

Common Shares represented by any properly executed proxy in the accompanying form will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder. ***In the absence of such direction, the Common Shares will be voted in favour of the matters set forth herein.***

***The accompanying proxy confers discretionary authority on the Management Designees with respect to amendments or variations to matters identified in the Notice or other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgement of management of the Corporation.***

## Advice to Beneficial Holders of Securities

***The information set forth in this section is of significant importance to many shareholders who hold Common Shares through brokers and their nominees, as a substantial number of shareholders do not hold Common Shares in their own name.***

Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Each Beneficial Shareholder should therefore ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “**NOBOS**”. Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “**OBOS**”.

## Distributions to NOBOS and OBOS

In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (“**NI 54-101**”), the Corporation has elected to rely on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting (the “**Meeting Materials**”).

The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. Intermediaries will frequently use service companies to forward the Meeting Materials to the OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

- a) be given a form of proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Computershare Investor Services Inc.; or
- b) more typically, be given a voting instruction form (“VIF”) which is not signed by the intermediary, and which, when properly completed and signed by the OBO and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow.

The Corporation will not be paying for intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the Meeting Materials and related documents. Accordingly, an OBO will not receive copies of the Meeting Materials and related documents unless the OBO’s intermediary assumes the costs of delivery.

***The Meeting Materials are being sent to both registered shareholders of the Corporation and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.***

The Meeting Materials sent to NOBOs who have not waived the right to receive meeting materials are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a NOBO is able to instruct the voting of the Common Shares owned by the NOBO.

VIFs, whether provided by the Corporation or by an intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on the Beneficial Shareholder’s behalf, the Beneficial Shareholders may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholders, or Beneficial Shareholder’s nominee, the right to attend and vote at the Meeting.

***A Beneficial Shareholder who receives a VIF cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to the intermediary (or instructions respecting the voting of Common Shares must otherwise be communicated to the intermediary) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.***

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. ***Beneficial Shareholders, who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder.***

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

## Quorum

By-Law No. 1 of the Corporation provides that a quorum of shareholders is present at a meeting of shareholders if at least two persons are present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy, and who hold or represent by proxy in the aggregate not less than twenty-five percent (25%) of the outstanding Common Shares entitled to be voted at the meeting.

## Voting Securities and Principal Holders Thereof

Registered holders of Common Shares as shown on the shareholders' list prepared as of the Record Date will be entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held, except to the extent that: (i) a registered shareholder has transferred the ownership of any of their Common Shares after the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares, and demands, not later than ten (10) days before the Meeting, or a shorter period as may be permitted, that his or her name be included on the list of persons entitled to vote at the Meeting, in which case, the transferee shall be entitled to vote such Common Shares at the Meeting.

As of the date of this Circular, 42,183,621 of the Corporation's unlimited authorized voting Common Shares were issued and outstanding. The Corporation is also authorized to issue an unlimited number of preferred shares, of which none have been issued. To the knowledge of the Corporation's Directors and Officers, and as of the date hereof, no person beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to all outstanding Common Shares, other than as set forth below.

| Name                                      | Number of Common Shares <sup>(1)</sup> | Percentage of Issued Common Shares |
|-------------------------------------------|----------------------------------------|------------------------------------|
| Garfield R. Mitchell<br>Toronto, Ontario  | 15,236,635 <sup>(2)</sup>              | 36.12%                             |
| Neil S. Subin<br>West Palm Beach, FL, USA | 6,312,350 <sup>(3)</sup>               | 14.96%                             |
| Mark W. Mitchell<br>Calgary, Alberta      | 5,273,633 <sup>(4)</sup>               | 12.50%                             |

### Notes

- <sup>(1)</sup> The information as to the Common Shares beneficially owned, not being within the knowledge of the Corporation, is based on information filed on SEDI by the foregoing shareholders.
- <sup>(2)</sup> Garfield Mitchell holds 15,224,635 Common Shares through Smoothwater Capital Corporation, a company of which he is the sole shareholder. In addition, Mr. Mitchell owns 12,000 Common Shares through RRSPs and TFSA's.
- <sup>(3)</sup> Neil S. Subin assumed control or direction of the securities formerly held or controlled by the late Lloyd Miller III. Mr. Subin controls 1,801,473 Common Shares through trusts, 1,574,052 Common Shares through LIMFAM LLC; 2,866,365 Common Shares through MILFAM II L.P. and 70,460 Common Shares through MILFAM III LLC.
- <sup>(4)</sup> Mark Mitchell holds 5,194,433 Common Shares through MWM Enterprises Limited, of which he is the sole shareholder, and owns 79,200 Common Shares through RRSPs and TFSA's.

## Majority Voting Policy

The Board has adopted a majority voting policy under which shareholders are able to vote in favour of, or to withhold from voting, separately for each director nominee. A director who is not elected by at least a majority of the votes cast, other than in a context of a contested meeting, must tender his or her resignation to the Chair of the Board immediately after certification of the election results, to be effective upon acceptance by the Board. The election results shall be disclosed immediately after the meeting including the number of votes "For" and the number of votes "Withheld" for each Director. A "contested meeting" is defined as a meeting at which the number of directors nominated for election is greater than the number of directors fixed for election to the Board. The Board must accept or refuse the tendered resignation within 90 days of the meeting and the Board must promptly communicate its decision by issuance of a news release. If the directors refuse to accept a resignation, the news release must fully state their reasons. Barring exceptional circumstances, the Board will accept the resignation.

## PART III – COMPENSATION

### General

The Board has delegated to the Governance and Compensation Committee (the "**Committee**") the responsibility for the oversight, review, and recommending to the Board for approval the Corporation's compensation policies and the level of non-executive director and executive compensation. The Committee is currently comprised of three directors, Stephen J. Griggs (Chair), Steven Glover, and Loudon Owen. Mr. Glover and Mr. Owen are considered independent under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Decisions of the Committee are by a majority vote and all key compensation matters are also subject to Board approval.

The members of the Committee were selected according to their experience and their knowledge of matters to be dealt with by the Committee. Each member of the Committee has direct experience that is relevant to his responsibilities in executive compensation, as well as the skills and experience necessary to enable him to make decisions as to the suitability of the Corporation's approach to and determination of executive compensation. Members of the Committee acquired these skills through their experience with various companies and organizations as executive officers or as corporate directors, including being a member of a similar committee on another board. Mr. Griggs served for three years as Executive Director of the Canadian Coalition for Good Governance, where he represented the interests of leading Canadian pension plans and other institutional shareholders and was instrumental in developing and implementing the Coalition's guidelines on executive compensation including "say on pay". Please see "Director Nominee Profiles" on pages 7 to 9 of this Circular for biographical information concerning members of the Committee.

In September 2018, the Committee retained the services of Hugessen Consulting Inc., Calgary, Alberta ("**Hugessen**"), to provide guidance in establishing the mechanics, structure and quantum for the long term incentive plans for all executives of the Corporation. Hugessen provided the Committee its written recommendations based on the Corporation's philosophy of weighing heavily long term pay for the executives, the practices adopted by similar size companies to the Corporation and affordability. The recommendations of Hugessen included a recommendation to adopt an Option Plan and a DSU Plan. As an independent advisor to the Corporation, Hugessen does not provide any professional services to management. The total fee paid to Hugessen was \$10,322. The Committee also consulted the outside legal counsel of the Corporation in designing and preparing the Option Plan and the DSU Plan. The Committee reviewed the recommendations of Hugessen and outside counsel and determined that the Corporation should adopt an Option Plan and a DSU Plan. The recommendations of the Committee were reviewed by the Board at its meeting on September 20, 2018, and the Board approved the Option Plan and the DSU Plan.

In determining the CEO's compensation package, the Committee engaged the services of Sunrise Executive Consulting Ltd. ("**Sunrise**") to provide a survey of the market for total compensation for similar positions and similar sized Calgary based public companies. Sunrise was paid a fee of \$3,450 for its services.

### Compensation of the Board of Directors

The primary objectives of the Committee respecting director compensation are: a) to ensure that the remuneration fairly reflects the responsibilities and time commitment required of its directors; b) is competitive with similarly sized public companies; and c) is sufficient to attract and retain qualified directors.

In September 2018, the Committee conducted a review of the existing directors' compensation plan, which has remained substantially the same since 2009 and was comprised of fees paid as annual retainers and reimbursement for reasonable travel and other out-of-pocket expenses, and made recommendations to the Board for its approval.

The Committee reviewed publicly available information respecting the compensation practices of several publicly traded companies similar in size and complexity to the Corporation to determine an appropriate level of compensation for directors, including the responsibilities involved in being a member of the Board. The Board reviewed data on director compensation practices on average fees paid to directors, board committee members and chairs; the extent of director participation in the companies' long term incentive plans; and other information such as the average mandatory retirement age of directors used by companies similar to the Corporation in succession planning.

The Committee concluded that the current fees paid to directors should be adjusted and proposed changes to the Board for its approval. Based upon the recommendation of the Committee, the Board approved an annual fee increase of \$2,500 for committee

members and \$5,000 for each of the board members and the committee chairs. The Board also determined that directors be granted one time stock options to provide a component of long term compensation to directors based on a multiple of 2.25 times the average director base fee compensation. This, in addition to minimum share holding requirements contributes to alignment with shareholder interests.

### *Directors' Compensation Plan*

Directors fees are paid by way of annual board and committee retainers, prorated from the date of the director's appointment to the Board and relevant committees, and are paid quarterly. No additional meeting fees are paid to directors.

Effective October 1, 2018, Stephen Griggs became eligible for the payment of director's fees after he resigned as Chief Executive Officer of the Corporation. Iain Stewart is not paid directors' fees following his appointment as President and Chief Executive Officer of the Corporation on September 20, 2018.

Directors are paid Board and committee retainers on an annual basis according to the following rates:

|                                       |           |
|---------------------------------------|-----------|
| Executive Chair of the Board Retainer | \$140,000 |
| Lead Director Additional Retainer     | \$25,000  |
| Board Retainer                        | \$40,000  |
| Committee Chair Retainer              | \$20,000  |
| Member of Committee Retainer          | \$7,500   |

At its meeting held on December 12, 2018, the Board approved the grant of 135,000 stock options to each non-executive director under the Option Plan, which is subject to approval of the shareholders at the Meeting. Pending shareholder approval, none of such Options will vest or be exercisable. The Options expire 7 years from the option grant date, and vest as to 25% on each of the first, second, third and fourth anniversaries of the option grant date. No stock options were granted at this time to Stephen Griggs, Executive Chair of the Board, as he was granted Options on September 20, 2018. *Please see Part IV- Compensation and Analysis - 2018 Chief Executive Officer Compensation on page 26 of this Circular and - 2018 Executive Chair Compensation on page 27 of this Circular.*

The Corporation did not provide benefits or a retirement plan for its directors in 2018.

The following table sets forth information in respect of all amounts of compensation (fees and incentive awards) provided to the directors of the Corporation during the financial year ended December 31, 2018.

| Director <sup>(1)</sup>        | Fees Earned<br>(\$) | Share-Based<br>Awards<br>(\$) | Non-Cash<br>Option-Based<br>Awards <sup>(2)</sup><br>(\$) | Non-Equity<br>Incentive Plan<br>Compensation<br>(\$) | Pension<br>Value<br>(\$) | All Other<br>Compensation<br>(\$) | Total<br>(\$)    |
|--------------------------------|---------------------|-------------------------------|-----------------------------------------------------------|------------------------------------------------------|--------------------------|-----------------------------------|------------------|
| Yazdi Bharucha <sup>(3)</sup>  | \$59,938            | Nil                           | \$129,087                                                 | Nil                                                  | Nil                      | Nil                               | \$189,025        |
| Michael Brodsky <sup>(3)</sup> | \$39,938            | Nil                           | \$129,087                                                 | Nil                                                  | Nil                      | Nil                               | \$169,025        |
| Loudon Owen                    | \$43,688            | Nil                           | \$129,087                                                 | Nil                                                  | Nil                      | Nil                               | \$172,775        |
| Steven J. Glover               | \$90,625            | Nil                           | \$129,087                                                 | Nil                                                  | Nil                      | Nil                               | \$219,712        |
| Mark W. Mitchell               | \$43,688            | Nil                           | \$129,087                                                 | Nil                                                  | Nil                      | Nil                               | \$172,775        |
| <b>Total</b>                   | <b>\$277,877</b>    | Nil                           | <b>\$645,435</b>                                          | Nil                                                  | Nil                      | Nil                               | <b>\$923,312</b> |

### **Notes**

<sup>(1)</sup> The disclosure regarding the amounts of compensation (fees and incentive awards) provided to Stephen Griggs and Iain Stewart is included in the table

entitled "Summary Compensation Table" for each NEO at December 31, 2018 on page 31.

- (2) The value of the non-cash option-based awards represents the fair value of stock options granted using the Black-Scholes option pricing model at the date issued. The option-based awards had a fair value of \$0.956 per Option based on the Black-Scholes model calculation as of the grant date, being December 12th, 2018. The Option grant fair value as of that date as determined by the Black-Scholes model was based on assumptions for volatility of 28.13%, risk-free interest rate of 2.30%, term of 5.5 years and dividend yield of 0% .
- (3) Yazdi Bharucha and Michael Brodsky are not standing for re-election at the Meeting and will cease to be members of the Board of directors at the conclusion of the Meeting.

## Directors Incentive Plan Awards

### Outstanding Share-Based and Option-Based Awards

The following table sets forth information in respect of Option based or share-based awards held by the directors that are outstanding at the end of the financial year ended December 31, 2018.

| Name <sup>(1)</sup> | Option-Based Awards <sup>(2)</sup>                      |                            |                        |                                                               | Share-Based Awards                                           |                                                                        |                                                                                                     |
|---------------------|---------------------------------------------------------|----------------------------|------------------------|---------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                     | Number of Securities Underlying Unexercised Options (#) | Option Exercise Price (\$) | Option Expiration Date | Value of Unexercised in-the-Money Options <sup>(3)</sup> (\$) | Number of Shares or Units of Shares that have not Vested (#) | Market or payout value of Share-Based Awards that have not Vested (\$) | Market or payout value of vested Share-Based Awards not paid out or distributed <sup>(4)</sup> (\$) |
| Yazdi J. Bharucha   | 135,000                                                 | 3.12                       | Dec 12, 2025           | 5,400                                                         | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Michael Brodsky     | 135,000                                                 | 3.12                       | Dec 12, 2025           | 5,400                                                         | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Steven J. Glover    | 135,000                                                 | 3.12                       | Dec 12, 2025           | 5,400                                                         | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Loudon Owen         | 135,000                                                 | 3.12                       | Dec 12, 2025           | 5,400                                                         | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Mark W. Mitchell    | 135,000                                                 | 3.12                       | Dec 12, 2025           | 5,400                                                         | Nil                                                          | Nil                                                                    | Nil                                                                                                 |

#### Notes

- (1) The disclosure regarding the Option-based and Share-based awards held by each of Stephen Griggs and Iain Stewart is included in the table entitled "Outstanding Share-Based and Option-Based Awards held by each NEO at December 31, 2018" on page 32.
- (2) The Option-Based Awards were granted pursuant to the Option Plan adopted by the Board on September 20, 2018, which is subject to shareholder approval. Pending such approval, none of such Options will vest or be exercisable.
- (3) The value of the unexercised in-the-money Options is calculated as the difference between the closing price of the Common Shares on the TSX on December 31, 2018, being \$3.16, and the applicable exercise price of the Options.
- (4) The Corporation did not grant any DSUs to any of its non-employee directors prior to December 31, 2018 .

### Incentive Plan Awards to Directors – Value Vested or Earned during the Year

The following table shows the Incentive Plan Awards value vested or earned for each director for 2018. No option-based awards were vested at the end of the financial year ended December 31, 2018 and no DSUs had been granted as of December 31, 2018.

| Name <sup>(1)</sup> | Option-Based Awards – Value Vested During the Year <sup>(2)</sup> (\$) | Share-Based Awards – Value Vested During the Year (\$) | Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$) |
|---------------------|------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------|
| Yazdi J. Bharucha   | Nil                                                                    | Nil                                                    | Nil                                                                        |
| Michael Brodsky     | Nil                                                                    | Nil                                                    | Nil                                                                        |
| Steven J. Glover    | Nil                                                                    | Nil                                                    | Nil                                                                        |
| Loudon Owen         | Nil                                                                    | Nil                                                    | Nil                                                                        |
| Mark W. Mitchell    | Nil                                                                    | Nil                                                    | Nil                                                                        |

#### Notes

- (1) The disclosure regarding value vested or earned during 2018 for each of Stephen Griggs and Iain Stewart is included in the table entitled "Incentive Plan

*Awards – Value Vested or Earned by each NEO during 2018” on page 32.*

- (2) *Represents the aggregate dollar value that would have been realized if the Options under the option-based award had been exercised on the vesting date based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the Options held. No Option Based Awards were vested as at December 31, 2018.*

### **Director Share Ownership Guidelines**

To align the interests of directors with those of shareholders, in 2014 the Board adopted a minimum share ownership requirement policy for its directors. All directors are expected to hold, control, own or be a representative of an entity which owns or controls Common Shares having an acquisition cost of a minimum of 3 times the then basic retainer of \$35,000 (being \$105,000) within 18 months from the adoption of the policy. New directors are expected to meet this ownership requirement within 3 years of first being elected to the Board. In the event that a director fails to meet this requirement, he or she will have 30 days to cure such non-compliance, failing which, the director is expected to tender his or her resignation as a director. The Board will accept the resignation absent highly unusual circumstances and/or may take whatever action it deems appropriate in its sole discretion.

All current directors are in compliance with this policy as of the date of this Circular.

### ***Directors’ and Officers’ Insurance***

The Corporation maintains a liability insurance policy for the benefit of the directors and officers of the Corporation. The policy provides coverage for costs incurred to defend and settle claims to an annual liability limit of \$10 million per claim and an additional \$10 million limit of liability. Depending on the category of the claim made, there is a deductible amount of either \$15,000 or \$25,000 per claim.

### ***Director Terms***

The Corporation does not have formalized terms limits in place for its directors and there is no mandatory retirement age in respect of a director's service on the Board. Directors' experience is a valuable asset to shareholders and we believe it is important to have directors who understand the industry and the Corporation. While term limits can help ensure the Board gains new perspectives, imposing this restriction means the Corporation would lose the contributions of longer serving directors who have developed a deeper knowledge and understanding of the Corporation over time. Genesis may consider adoption of term limits for its directors in the future.

### ***Director Attendance***

Attendance records are disclosed in the table of meetings held on page 40 of the Circular. Directors are expected to attend all meetings of the Board and Board committees upon which they serve, to attend such meetings fully prepared and to remain in attendance for the duration of the meeting.

### ***In Camera Sessions***

Meetings of the Board and its committees include an “in camera” session at which only the CEO is in attendance and also without the CEO present.

### ***Director Assessment***

The Board has established a formal process that every two years the directors complete a written self-assessment questionnaire of the effectiveness of the Board, its committees, the Chair and the Lead Director. The directors provide quantitative ratings of key areas and also provide comments in each of the areas. The responses are reviewed by the Lead Director and the Executive Chair (who is also Chair of the Governance and Compensation Committee), who considers any proposed changes to the Board, its mandate or the Committees and their respective mandates. A summary report is prepared by the Lead Director and provided to the full Board for its review. The Board believes that it benefits from the direct input of each of its individual directors. The self-assessment was completed by all directors in March 2018, and will be completed next by all directors in 2020. The directors are satisfied that the Board and its committees are functioning effectively and properly. Several suggestions for improvement of processes and the Board's meeting times will be considered further.

The Board maintains an updated skills matrix to help identify any gaps in competencies required by the Corporation. Each director is asked annually to indicate his level of skills and competencies demonstrated. This process helps the Board to ensure that key skills are accounted for in current directors and to prioritize skills needed in prospective directors for succession planning.

### ***Succession Planning***

The Board considers CEO and other senior executive succession plans on at least an annual basis. In 2018, the Board has actively and regularly reviewed the current arrangements for the CEO, CFO and each Vice-President role and modified as appropriate in the circumstances.

### ***Board Education***

Directors are encouraged to participate in continuing education. The Board adopted a director education policy which will reimburse each director up to \$2,000 per year for relevant educational programs.

### ***Risk Oversight***

The Board is responsible for managing significant risks of the Corporation and ensures there are systems in place to effectively monitor and manage those risks associated with Genesis' compensation policies and practices.

## **PART IV – COMPENSATION DISCUSSION AND ANALYSIS**

### **2018 Executive Changes**

Stephen J. Griggs resigned as the Chief Executive Officer of the Corporation and was appointed as Executive Chair effective September 20, 2018. Mr. Griggs has been a Director and Chair of the Board since 2013 and was Chief Executive Officer or Interim Chief Executive Officer since February 2016. Mr. Griggs remains as a member of the Board of Directors.

Iain Stewart was appointed President and Chief Executive Officer of the Corporation effective September 20, 2018. Mr. Stewart had been an independent director since August 2013 and was Vice-Chair of the Board since May 12, 2017. Mr. Stewart remains as a member of the Board of Directors.

### **Compensation of Executive Officers**

The Compensation Discussion and Analysis described below provides information about and explains the Corporation's philosophy for executive compensation, the elements of compensation and the general objectives for such elements in 2018. This disclosure is intended to communicate the compensation provided to the identified named executive officers (each an "NEO").

A NEO of the Corporation is defined by securities legislation to mean each of the following individuals, namely: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) each of the Corporation's three most highly compensated Executive Officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a NEO under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

The NEOs of the Corporation for 2018 were as follows: Stephen Griggs, (former CEO until September 20, 2018), Iain Stewart, current CEO (appointed as CEO on September 20, 2018), Wayne King, CFO; Arnie Stefaniuk, Vice-President, Land Development; Brian Whitwell, Vice-President, Land and Financing; and Parveshinder Sidhu, President, Genesis Builders Group Inc. and Vice-President, Home Building.

The compensation plan for the NEOs (except for the former CEO, Stephen Griggs) in 2018 consisted of a base salary, a discretionary annual cash bonus and participation in the Corporation's long term incentive plan.

The Board replaced the existing cash based long term incentive plan on September 20, 2018 with the adoption of the Option Plan and the DSU Plan (the "2019 LTIP"). The Corporation's Option Plan is subject to approval of the shareholders. Please see "Business of the Meeting – Summary of the Option Plan" for a summary of the Option Plan, and Appendix "1" attached hereto for a copy of the Option Plan, and below – *Other Elements of Compensation – DSU Plan* for a summary of the DSU Plan.

### ***Objectives of Compensation Process***

The Corporation's executive compensation plan is designed to:

- Align the interests of the executive officers with those of the shareholders;
- Enable the Corporation to attract qualified executives who demonstrate leadership and management skills;
- Motivate and retain qualified, and experienced individuals who will contribute to the long-term success of the business; and
- Balance appropriate levels of risk and reward.

The Governance and Compensation Committee makes recommendations to the Board regarding compensation to be provided to the NEO's. Mr. Stewart recused himself during the Board's discussions regarding his appointment and compensation as CEO and Mr. Griggs recused himself from discussion about his compensation as CEO.

The Committee's recommendations are based on the underlying philosophy that compensation should:

- Incentivize and reward the achievement of specific annual objectives as well as the long-term and strategic goals established by the Board;
- Reflect the experience, performance and contribution of the individuals involved;
- Take into consideration the overall growth, performance and success of the Corporation on behalf of shareholders; and
- Position the Corporation to retain individuals contributing to its success.

The Committee considers compensation packages that would be available to such officers from other employment opportunities based on available salary data, publicly disclosed information and the director's knowledge of the local market place. The Committee also considered the recommendations of Hugessen, which it had retained to provide guidance for establishing the mechanics, structure and quantum of implementing the Corporation's 2019 LTIP, in determining compensation for all executives of the Corporation and engaged the services of Sunrise to assist in establishing the remuneration of the CEO.

#### ***Former Chief Executive Officer Compensation (until September 20, 2018)***

From February 16, 2016 until September 20, 2018, the executive services of Stephen Griggs as the CEO were provided to the Corporation through Underwood Capital Partners Inc. ("**Underwood**"), a private corporation controlled by him in accordance with a written agreement dated as of February 16, 2016 and revised effective May 11, 2017. Under this agreement, Underwood was paid a monthly fee based on days spent, plus travel and related expenses. The agreement was terminated by the parties as of September 20, 2018. No incentive or termination fees (share or cash based) were payable to Underwood under this agreement. The total payments related to Stephen Griggs made to Underwood in 2018 are set forth in the *Summary Compensation Table* on page 31 of this Circular.

#### ***Compensation of the NEOs***

##### ***Current Chief Executive Officer (Effective September 20, 2018)***

Effective September 20, 2018, Iain Stewart was named the President and Chief Executive Officer of the Corporation. Mr. Stewart's compensation plan included an annual base salary, benefits, an annual cash bonus, and participation in the Corporation's long-term incentive plans of the Option Plan and the DSU Plan with a target of 50% and a maximum of 70% of his current base salary, based on achieving individual and corporate targets as determined by the Board. For a description of the elements of Mr. Stewart's compensation, please see "*Significant Terms of Compensation Plan and Employment Agreements*" on page 33 of this Circular.

Cash payments are intended to primarily reward annual performance and equity incentives encourage executives to continue to deliver results over a longer period of time, to align their interests with those of shareholders and to serve as a retention tool. The Board annually sets operating and financial objectives and the target performance criteria for the annual cash bonus and the long-term incentive plan for the CEO.

##### ***Vice Presidents***

The compensation plan for the Vice-Presidents includes base salary, standard benefits, an annual cash bonus calculated as a percent of base salary, and participation in the Corporation's long-term incentive plans. Each Vice-President is entitled to receive an annual

discretionary bonus with a target of 30% and a maximum of 40% of his base salary based on the attainment of individual and corporate targets as determined by the Board at its sole discretion.

The Board in consultation with the CEO annually sets operating and financial objectives and the target performance criteria for the annual cash bonus and the long-term incentive plan for each Vice-President.

#### *Chief Financial Officer*

The compensation plan for Mr. King is based on the compensation plan for Vice-Presidents and includes base salary, standard benefits, an annual cash bonus calculated as a percent of base salary, and participation in the Corporation's long-term incentive plans.

The Board in consultation with the CEO annually sets operating and financial objectives and the target performance criteria for the annual cash bonus and the long-term incentive plan for the CFO.

#### Base Salaries

The Board determined the annual base salary for the CEO.

The base salaries for the NEOs, other than the CEO, are determined by the CEO in consultation with the Committee and are approved by the Board and are intended to ensure internal consistency and fairness and are based on market factors. The base salaries are reviewed annually having regard to the change in the cost of living and whether there have been any material changes in their level of responsibility. The base salaries for the NEOs in 2018 were increased slightly to cover the increased cost of living.

#### Annual Incentive Plan

In 2018, the Annual Incentive Plan for the current CEO (effective September 20, 2018), CFO and the three Vice-Presidents consisted of a discretionary cash bonus.

The Board set individual financial and operational objectives for 80% of the annual bonus for each executive, and certain overall corporate metrics for 20% of the annual bonus. The Board also set minimum performance requirements, below which no award would be made for that objective, as well as maximum performance criteria. If all objectives were achieved at "maximum" as determined by the Board, the CFO and the three Vice-Presidents were each eligible to be awarded an annual cash bonus of up to 40% of their base salary, subject to the overall discretion of the Board.

The CEO provided an assessment to the Committee of the individual performance of the CFO and the Vice-Presidents, as well as of the relevant corporate metrics, and recommended individual cash bonuses to be paid to each for 2018. The Committee considered the assessments and recommendations of the CEO, as well as the annual cash bonus for the CEO, and recommended the annual cash bonuses for approval by the Board, which ratified those recommendations.

The annual cash bonus for the CEO was prorated for the portion of 2018 that he held his position and was granted "at target" given the short period of time he had been in the role.

The total payments of cash bonuses made to the NEOs are set out in *Summary Compensation Table* on page 31 of this Circular.

#### 2018 Long Term Incentive Plan Awards

The 2018 long-term incentive plan awards for the CFO and the three Vice-Presidents (the "2018 LTIP") were intended to link the interests of executives and shareholders by rewarding them for the creation of shareholder value in the long term, to attract, retain and motivate qualified executives and to align executive performance with a long-term focus on creating and preserving shareholder value.

The 2018 LTIP for the CFO and the three Vice-Presidents were based on achieving or exceeding certain cash flow from operations targets, subject to overall minimum and maximum amounts. The 2018 LTIP for these NEOs comprised of an award of a cash bonus of a minimum of 0% and up to a maximum of 45% of the NEO's current base salary, payable one third in each of 2019, 2020 and 2021 immediately following the release of the prior year's annual audited financial statements. Should the executive resign prior to

the date of payment, all deferred amounts are forfeited. The current CEO did not receive any 2018 LTIP awards, but he was granted 900,000 Options on September 20, 2018 as part of the 2019 LTIP, which are subject to shareholder approval.

### *Other Elements of Compensation*

#### Option Plan, Share Based Compensation & Non-equity Incentive Plan Compensation

On September 20, 2018 the Option Plan was approved and adopted and is subject to shareholder approval.

The Corporation in 2019 has two long term compensation plans, being: (i) the Option Plan; and (ii) the DSU Plan.

#### Option Plan

The Option Plan is considered an equity-based plan and the DSU Plan is a cash-settled plan. Please see “*Business of the Meeting – Summary of the Option Plan*” for a summary of the Option Plan, and Appendix “1” attached hereto for a copy of the Option Plan.

#### DSU Plan

On September 20, 2018, the Board approved the Corporation’s adoption of the DSU Plan. As described in this Circular under the heading “*Business of the Meeting – Deferred Share Units*”, shareholder approval of the DSU Plan is not required, since it does not contemplate the issuance of any Common Shares or any other securities of the Corporation from treasury and the DSUs issued thereunder will all be settled in cash.

The DSU Plan provides for grants of DSUs to officers and employees of the Corporation and its subsidiaries designated by the Board (“**Designated Employees**”) and to non-employee directors of the Corporation and its subsidiaries (“**Directors**”). The purpose of the DSU Plan is to provide such persons (each, a “**Participant**”) with long term compensation opportunities which: (a) are compatible with shareholder interests; (b) will encourage a sense of ownership in the Corporation; and (c) will enhance the Corporation’s ability, and the ability of subsidiaries of the Corporation, to attract and retain key personnel and reward significant performance achievements.

Under the DSU Plan, the Board will determine or designate a method to determine which Designated Employees and directors, if any, will be eligible or (in the case of directors) required, in any particular fiscal year, to participate in the DSU Plan and the terms and conditions of any DSU awarded to such individuals. Directors and Designated Employees who are determined to be eligible by the Board in any particular fiscal year may elect to receive in DSUs a specified percentage of their remuneration for service as a member of the Board (in the case of directors) (“**Director’s Retainer**”) or annual bonus award (in the case of Designated Employees) for such fiscal year (in either case, the “**Deferred Amount**”) as follows:

- (a) in the case of a director who is not newly appointed during such fiscal year, giving written notice specifying an amount (expressed as a percentage) of the Director’s Retainer to be earned by such individual in the fiscal year following the fiscal year in which such election is made;
- (b) in the case of a director who is newly appointed during such fiscal year, giving written notice within 30 days of such individual’s appointment as a director specifying an amount (expressed as a percentage) of the Director’s Retainer to be earned by such individual in the fiscal year after the date on which such election is made; and
- (c) in the case of a Designated Employee, giving written notice prior to the time such Designated Employee has been notified by the Corporation or a subsidiary of the Corporation of such individual’s bonus award for that particular fiscal year.

The DSU Plan is administered by the Board, which has authority to delegate the administration and operation of the DSU Plan to a committee and to determine the terms and conditions of any grant of DSUs. Under the DSU Plan:

- (a) The number of DSUs granted at any particular time pursuant to the DSU Plan will be credited to the holder’s DSU account and calculated by: (a) dividing the Deferred Amount by the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed and posted for trading on the last trading day immediately preceding the date the DSU is granted, which, in the case of directors, is the date that is not later than

10 Business Days following the end of each fiscal quarter and, in the case of a Designated Employee, is the date that is not later than 10 Business Days following the date on which the cash payment in lieu of which the applicable DSUs are being issued would otherwise have been paid to such Designated Employee.

- (b) DSUs cannot be redeemed except upon the occurrence of the earliest of one of the following events (each such event, a “**Redemption Event**”): (a) the death of the Participant; (b) the retirement of such Participant; or (c) in the case of a Designated Employee, the termination of such Participant.
- (c) When a Redemption Event occurs, the Participant will be entitled to receive a lump sum payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in that Participant’s DSU account on the date of the Redemption Event and (ii) the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed and posted for trading on the last trading day immediately prior to the date of the Redemption Event.
- (d) The lump sum payment referred to above will be paid by the Corporation by the end of the calendar year following the year in which the Redemption Event occurs.

The DSU Plan also contains provisions which effect adjustments in the amounts payable as determined to be appropriate by the Board to preclude a dilution or enlargement of the benefits under the DSU Plan in the event of any subdivision or consolidation of the Common Shares, payment of dividends in stock, reclassification or conversion of the Common Shares, recapitalization, reorganization, change of control or any other event which necessitates an adjustment.

Each DSU is non-assignable and non-transferrable. The Board may, at any time or from time to time, suspend or terminate the DSU Plan in whole or in part and may amend it in such respects as the Board deems appropriate, subject to applicable laws, regulations, rules, by-laws or policies of applicable stock exchanges and other regulatory authorities. However, no amendment, suspension or termination of the DSU Plan shall impair any of the rights or obligations under any DSU previously granted to a Participant without the consent of such Participant and such DSUs will remain outstanding and in effect in accordance with their applicable terms and conditions. In addition, no amendment can be made if it would cause any DSUs to be redeemed at a time earlier than as indicated above, or that would result in the DSU Plan failing to meet the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada).

#### 2019 Long Term Incentive Plan

On December 20, 2018, the Board approved and adopted the 2019 LTIP for the CFO and the three Vice-Presidents. Under the 2019 LTIP plan, each of the CFO and the three Vice-Presidents will receive annually an equity based LTIP having a value equal to (40%) of their annual base salary for the year, comprised of 60% Options and 40% DSUs. On January 2, 2019, 195,000 Options and 8,089 DSUs were granted to each of the CFO and the three Vice-Presidents. The Options were granted in advance of 5 years of employment, expire in seven years and vest as to 25% on each of the first, second, third and fourth anniversaries. The DSUs will vest as to 25% on each of the first, second, third and fourth anniversaries of the award date. The value was determined after considering advice received from Hugesson and a market review. We believe the 2019 LTIP provides effective incentives and retention tools within the overall compensation plan.

#### Pension, Retirement, Deferred Compensation and Actuarial Plans

The Corporation matches any contribution made by an employee, including the NEO’s (other than Mr. Griggs) to Genesis’ Group Registered Retirement Savings Plan up to an amount equivalent to 2% of the annual base salary, other than Mr. Stewart, Chief Executive Officer of the Corporation, whose contribution is matched up to an amount equivalent to 4% of his annual base salary.

#### Benefits

Extended health care, dental and insurance benefits and a group Registered Retirement Savings Plan are provided to all employees, including the NEOs. The process for determining approval of benefits for the NEOs is to provide benefits which are comparable to those usually offered by other corporations of a similar size to the Corporation.

### Risk Management

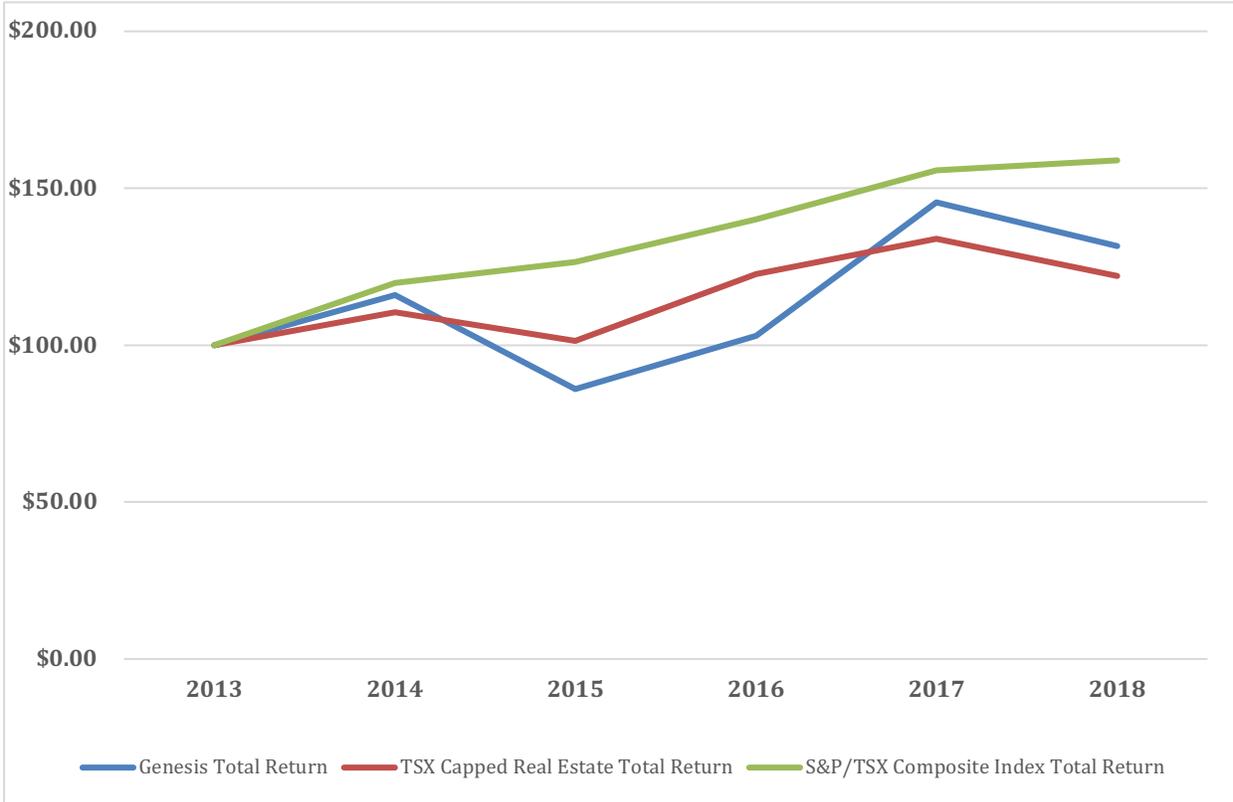
The Corporation's compensation plan is designed to discourage excessive risk taking, while at the same time recognizing that some level of risk is necessary to increase shareholder value. The Corporation has the following in place to manage risks relating to compensation:

- a) The Board approved strategic, annual operating plans and budgets are prepared with due consideration of operating and industry risk;
- b) Board policies which determine authorization levels for management and executives with respect to approving and executing contracts, banking authorizations and other material commitments;
- c) Internal controls include pre-determined authority limits and require 2 or more officers jointly to make material financial and operating decisions; and
- d) Compensation for all executives has been balanced between base salary, long-term and short-term incentives in the form of cash bonuses (some of which are deferred) based on corporate and individual performance as determined solely by the Board.

**Performance Graph**

The following graph compares the yearly percentage change in the cumulative shareholder total return over the last five years of the Common Shares (assuming a \$100 investment was made on December 31, 2013), and the cumulative total return of the S&P/TSX Composite Index Total Return and the TSX Capped Real Estate Total Return.

| As at December 31, 2018              | 2013     | 2014     | 2015     | 2016     | 2017     | 2018     |
|--------------------------------------|----------|----------|----------|----------|----------|----------|
| Genesis Total Return                 | \$100.00 | \$115.89 | \$86.00  | \$102.91 | \$145.50 | \$131.49 |
| TSX Capped Real Estate Total Return  | \$100.00 | \$110.55 | \$101.36 | \$122.73 | \$133.89 | \$121.99 |
| S&P/TSX Composite Index Total Return | \$100.00 | \$119.82 | \$126.43 | \$140.02 | \$155.73 | \$158.89 |



Shareholders total return was impacted from 2013 to 2018 by a number of factors, including the general state of the Alberta economy and the long term nature of the land development business.

When the Governance and Compensation Committee and the Board determine overall compensation, they consider a number of factors and performance elements. Although total shareholder return is one performance measure that is reviewed and considered by the Governance and Compensation Committee and the Board, it is not the only consideration in executive compensation as market and economic factors outside of management’s control impact shareholder return.

## Summary Compensation Table

For each NEO in the financial year ended December 31, 2018, the following table provides information concerning their compensation for the financial years ended December 31, 2018, 2017 and 2016.

| Name and Principal Position                                                                                       | Year | Salary or Management Fees (\$) | Share Based Awards (\$) <sup>(1)</sup> | Option-Based Awards (\$) <sup>(2)</sup> | Non-equity incentive plan compensation (\$) |                           | Pension Value (\$) | All Other Compensation (\$) <sup>(4)</sup> | Total Compensation/Fees (\$) |
|-------------------------------------------------------------------------------------------------------------------|------|--------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------------|---------------------------|--------------------|--------------------------------------------|------------------------------|
|                                                                                                                   |      |                                |                                        |                                         | Annual Incentive Plans <sup>(3)</sup>       | Long-Term Incentive Plans |                    |                                            |                              |
| Iain Stewart <sup>(4)(5)(7)</sup><br>Chief Executive Officer                                                      | 2018 | 191,792                        | Nil                                    | 891,360                                 | 42,300                                      | Nil                       | Nil                | 5,064                                      | 1,022,474                    |
|                                                                                                                   | 2017 | Nil                            | Nil                                    | Nil                                     | Nil                                         | Nil                       | Nil                | Nil                                        | Nil                          |
|                                                                                                                   | 2016 | Nil                            | Nil                                    | Nil                                     | Nil                                         | Nil                       | Nil                | Nil                                        | Nil                          |
| Wayne King <sup>(4)(5)(6)</sup><br>Chief Financial Officer                                                        | 2018 | 154,534                        | Nil                                    | Nil                                     | 54,000                                      | 31,607                    | Nil                | 10,702                                     | 250,843                      |
|                                                                                                                   | 2017 | 91,740                         | Nil                                    | Nil                                     | 60,792                                      | 41,283                    | Nil                | 5,158                                      | 198,973                      |
|                                                                                                                   | 2016 | Nil                            | Nil                                    | Nil                                     | Nil                                         | Nil                       | Nil                | Nil                                        | Nil                          |
| Arnie Stefaniuk <sup>(3)(5)</sup><br>Vice- President, Land Development                                            | 2018 | 154,534                        | Nil                                    | Nil                                     | 54,000                                      | 31,607                    | Nil                | 9,585                                      | 247,726                      |
|                                                                                                                   | 2017 | 152,250                        | Nil                                    | Nil                                     | 60,900                                      | 68,413                    | Nil                | 8,502                                      | 290,065                      |
|                                                                                                                   | 2016 | 150,000                        | Nil                                    | Nil                                     | 50,000                                      | Nil                       | Nil                | 8,554                                      | 208,554                      |
| Parveshinder Sidhu <sup>(3)(5)</sup><br>President, Genesis Builders Group Inc. and Vice-President , Home Building | 2018 | 154,534                        | Nil                                    | Nil                                     | 54,000                                      | 31,607                    | Nil                | 11,963                                     | 252,104                      |
|                                                                                                                   | 2017 | 152,250                        | Nil                                    | Nil                                     | 50,000                                      | 68,413                    | Nil                | 10,942                                     | 281,605                      |
|                                                                                                                   | 2016 | 150,000                        | Nil                                    | Nil                                     | 50,000                                      | Nil                       | Nil                | 5,850                                      | 205,850                      |
| Brian Whitwell <sup>(3)(5)</sup><br>Vice-President, Land and Financing                                            | 2018 | 154,534                        | Nil                                    | Nil                                     | 54,000                                      | 31,607                    | Nil                | 11,039                                     | 251,180                      |
|                                                                                                                   | 2017 | 152,250                        | Nil                                    | Nil                                     | 60,900                                      | 68,413                    | Nil                | 8,196                                      | 289,759                      |
|                                                                                                                   | 2016 | 150,000                        | Nil                                    | Nil                                     | 50,000                                      | Nil                       | Nil                | 8,850                                      | 208,850                      |
| <b>FORMER EXECUTIVES</b>                                                                                          |      |                                |                                        |                                         |                                             |                           |                    |                                            |                              |
| Stephen J. Griggs <sup>(8)</sup><br>Former Chief Executive Officer                                                | 2018 | 323,417                        | Nil                                    | 445,680                                 | Nil                                         | Nil                       | Nil                | Nil                                        | 769,079                      |
|                                                                                                                   | 2017 | 334,400                        | Nil                                    | Nil                                     | Nil                                         | Nil                       | Nil                | Nil                                        | 334,400                      |
|                                                                                                                   | 2016 | 368,249                        | Nil                                    | Nil                                     | Nil                                         | Nil                       | Nil                | Nil                                        | 368,249                      |

### Notes

- <sup>(1)</sup> The Corporation did not grant DSUs to any of the NEOs prior to December 31, 2018.
- <sup>(2)</sup> No Options held by the NEOs vested in 2018, since the Options after the Corporation's adoption of the Option Plan cannot vest unless and until shareholder approval is obtained. The fair value of the Options is based on the Black-Scholes model as calculated on the grant date, being September 20th, 2018. The parameters used were volatility of 25.6%, a risk free interest rate of 2.25%, a term of 5.5 years and a dividend rate of 0%.
- <sup>(3)</sup> The cash bonus amounts were earned by and paid to Messrs. Stefaniuk, Sidhu and Whitwell in 2016, 2017 and 2018.
- <sup>(4)</sup> The cash bonus amounts were earned by and paid to Wayne King in 2017 and 2018. The cash bonus amounts were earned by and paid to Iain Stewart in 2018 in his capacity as the Chief Executive Officer of the Corporation commencing on September 20, 2018.
- <sup>(5)</sup> Benefits received by each of Messrs. King, Stefaniuk, Sidhu and Whitwell are benefits which are generally available to all employees and include RRSP contribution equal to 2% of annual base salary in 2018. Perquisites and benefits received by Iain Stewart in his capacity as a Chief Executive Officer of the Corporation commencing on September 20, 2018 included benefits generally available to all employees, RRSP contribution equal to 4% of annual base salary and a health spending account of \$10,000.
- <sup>(6)</sup> Compensation commenced in May 2017 when Mr. King was appointed CFO of Genesis.
- <sup>(7)</sup> Mr. Stewart served solely as a director of the Corporation until September 20, 2018, when he was appointed Chief Executive Officer of the Corporation. Although Mr. Stewart continued on as a director after his appointment as Chief Executive Officer, he stopped receiving director fees as of September 20, 2018. Accordingly, Mr. Stewart's compensation for 2018 therefore reflects the compensation he received in his capacity as a director until September 20, 2018, being \$108,042 of the total fees noted above and the compensation he received as a result of his appointment as the Chief Executive Officer of the Corporation from September 20, 2018, being salary of \$83,750, a cash bonus of \$42,300 and notional value of his Option-based awards shown in the above table.
- <sup>(8)</sup> Mr. Griggs was the Chair and Chief Executive Officer of the Corporation until September 20, 2018. Consultant fees of \$272,316 were paid for his services as Chair and CEO to his private corporation, Underwood Capital Partners Inc., until September 20, 2018. After his appointment as the Executive Chair and a director of the Board on September 20, 2018, Mr. Griggs was granted 450,000 Options on September 20, 2018 and commencing October 1, 2018, was paid an annual retainer in his capacity as a director and Executive Chair of \$51,101.

## Incentive Plan Awards

### Outstanding Share-Based and Option-Based Awards held by each NEO at December 31, 2018

No option-based awards held by the NEOs, other than Mr. Stewart, were outstanding at the end of the financial year ended December 31, 2018, and NEOs did not receive any share-based awards during 2018. The following table sets forth information in respect of option-based awards outstanding at the end of the financial year ended December 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 <sup>(1)</sup> (\$) | Number of Shares or Units of Shares that have not Vested (#) | Market or payout value of Share-Based Awards that have not Vested (\$) | Market or payout value of vested Share-Based Awards not paid out or distributed <sup>(3)</sup> (\$) |
| Stephen Griggs <sup>(2)</sup> | 450,000                                                 | 3.48                       | Sept. 20, 2025         | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Iain Stewart <sup>(2)</sup>   | 900,000                                                 | 3.48                       | Sept. 20, 2025         | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Arnie Stefaniuk               | Nil                                                     | Nil                        | Nil                    | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Parveshinder Sidhu            | Nil                                                     | Nil                        | Nil                    | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Brian Whitwell                | Nil                                                     | Nil                        | Nil                    | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |
| Wayne King                    | Nil                                                     | Nil                        | Nil                    | Nil                                                           | Nil                                                          | Nil                                                                    | Nil                                                                                                 |

#### Notes

- <sup>(1)</sup> The value of the unexercised in-the-money vested and unvested Options is calculated as the difference between on the closing price of the Common Shares on the TSX on December 31, 2018, being \$3.16, and the applicable exercise price of the Options.
- <sup>(2)</sup> None of the Options are vested as of December 31, 2018. Mr. Stewart was granted Options on September 20, 2018 after being appointed as the Chief Executive Officer of the Corporation. Mr. Griggs was the Chief Executive Officer of the Corporation until September 20, 2018. 900,000 Options were granted to Mr. Stewart on September 20, 2018 pursuant to his compensation program as Chief Executive Officer of the Corporation.
- <sup>(3)</sup> The Corporation did not grant any DSUs to any of the NEOs prior to December 31, 2018.

### Incentive Plan Awards – Value Vested or Earned by each NEO during 2018

The following table shows the incentive plan awards value vested or earned for each NEO in 2018. The NEOs did not receive any share-based awards during 2018.

| Name                          | Option-Based Awards – Value Vested During the Year <sup>(1)</sup> (\$) | Share-Based Awards – Value Vested During the Year <sup>(2)</sup> (\$) | Non-Equity Incentive Plan Compensation – Value Earned During the Year <sup>(3)</sup> (\$) <sup>(3)</sup> |
|-------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Stephen Griggs <sup>(4)</sup> | 0                                                                      | Nil                                                                   | Nil                                                                                                      |
| Iain Stewart <sup>(4)</sup>   | 0                                                                      | Nil                                                                   | Nil                                                                                                      |
| Arnie Stefaniuk               | 0                                                                      | Nil                                                                   | 31,607                                                                                                   |
| Parveshinder Sidhu            | 0                                                                      | Nil                                                                   | 31,607                                                                                                   |
| Brian Whitwell                | 0                                                                      | Nil                                                                   | 31,607                                                                                                   |
| Wayne King                    | 0                                                                      | Nil                                                                   | 31,607                                                                                                   |

#### Notes

- <sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the Options under the option-based award had been exercised on the vesting date based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the Options held. No option-based awards vested in the year 2018.
- <sup>(2)</sup> No share-based awards, including any DSUs, were granted in 2018.
- <sup>(3)</sup> Represents the cash awards made pursuant to the Corporation's Annual Incentive Plan and the 2018 LTIP. Please see page 26 of this Circular.
- <sup>(4)</sup> Mr. Griggs was the Chief Executive Officer of the Corporation until September 20, 2018, on which date Mr. Stewart was appointed as the Chief Executive Officer of the Corporation.

## Significant Terms of Compensation Plan and Executive Employment Agreements

The following is a description of the significant terms of the Corporation's executive employment agreements.

### Termination

Other than as set forth herein, there is no contract, agreement, plan or arrangement between the Corporation and a NEO that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement.

### *Employment Agreements*

#### *Chief Executive Officer*

Effective September 20, 2018, Mr. Stewart was employed as President and Chief Executive Officer of the Corporation and entered into an employment agreement with the Corporation. Under the terms of his employment agreement, Mr. Stewart's base annual salary is \$300,000 and he is entitled to benefits provided by the Corporation to its employees and which includes a health spending account. In addition, Mr. Stewart is eligible to receive an annual discretionary bonus ("**Annual Bonus**") with a target of 50% and a maximum of 70% of his current base salary, based on achieving individual and corporate targets as determined by the Board. Payment and amount of the Annual Bonus is at the sole discretion of the Board. Mr. Stewart is eligible to participate in the Corporation's annual Long Term Incentive Plans (the Option Plan and the DSU Plan) with a notional monetary value based on a Black-Scholes calculation of 100% of his base salary in the year.

The annual LTIP grant is to be comprised of 60% Options awarded under the Option Plan and 40% of DSUs issued under the DSU Plan. 900,000 Options were granted to Mr. Stewart on September 20, 2018 representing an initial grant for the Option component of his LTIP for the first five years of his employment (2018 – 2023). These Options vest 25% per year commencing on September 20, 2019. The DSU component of Mr. Stewart's LTIP will be granted annually. On January 2, 2019, 38,585 DSUs were awarded to Mr. Stewart.

If the Corporation terminates Mr. Stewart for any reason other than cause, the Corporation shall pay to Mr. Stewart an amount equal to a minimum of twelve (12) months and a maximum of eighteen (18) months of his then current annual salary, calculated on the basis of one month per year of service ("**Months of Notice**"), payment of the Annual Bonus at target of 50% at the time of termination divided by 12 and multiplied by the Months of Notice, payment of the LTIP earned in prior years and deferred for payment and benefits up to the date of termination. Mr. Stewart would also be entitled: (a) in respect of any DSUs granted to him which are outstanding as of his date of termination, to receive a lump sum cash payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in his account and (ii) the fair market value of the Common Shares; and (b) in respect of any Options which have vested as of his date of termination, to exercise such Options on or before the earlier of their expiry date and his termination date (where he is given a reasonable notice period) or 21 days after his termination date (where he is paid compensation in lieu of reasonable notice). The estimated incremental payments and benefits which might be paid by the Corporation for Mr. Stewart, assuming a termination of employment without cause occurred on December 31, 2018 and he was employed at that time are set forth in the table below.

If the Corporation terminates Mr. Stewart for cause, the Corporation shall pay all salary and benefits earned by Mr. Stewart to the date of termination. No Annual Bonus or LTIP payments shall be made and any prior unvested LTIP grants shall be forfeited, other than payment for any DSUs granted to Mr. Stewart and outstanding as of his date of termination, as described above and the right to exercise any Options that have vested as of his date of termination on or before the earlier of their expiry date and 10 days after his termination date.

#### *Chief Financial Officer and Vice-Presidents*

On July 1, 2018, the Corporation entered into an employment agreement, on identical terms except for the different dates of commencement of employment with the Corporation, with each of Wayne King, the Chief Financial Officer of the Corporation; Brian Whitwell, Vice-President, Land and Financing; Arnie Stefaniuk, Vice-President, Land Development and Parveshinder Sidhu, Vice-President, Home Building (collectively, the "**Officers**").

Under the terms of their employment agreements, the 2018 base annual salary for each Officer was set at \$154,534 and each is entitled to participate in the standard benefits provided by the Corporation to its employees. Each Officer is entitled to receive an annual discretionary bonus with a target of 30% and a maximum of 40% of his base salary based on the attainment of individual and corporate targets as determined by the Board at its sole discretion. In addition, each Officer is entitled to participate in the Corporation's LTIP with a monetary value equal to 40% of the base salary in the year, comprised of 60% Options and 40% DSUs. Options will expire seven (7) years from the date of grant of Options and will vest as to 25% on each of the first, second, third and fourth anniversaries. DSU's shall be awarded annually, and credited as to 25% on each of the first, second, third and fourth anniversaries of the DSU award date.

On January 2, 2019, 195,000 Options and 8,089 DSUs were granted and awarded to each of the CFO and the three Vice-Presidents, subject to the terms of Option and DSU Agreements entered into with the Corporation dated January 2, 2019, and the Option Plan and the DSU Plan. These Option grants are in respect of the following 5 years granted in advance, similar to the one time grant to the CEO.

If any Officer's employment is terminated for cause, the Corporation shall pay all salary and benefits earned by the Officer to the date of termination. No Annual Bonus or LTIP payments shall be made and any prior unvested LTIP grants shall be forfeited, other than payment for any DSUs granted to the Officer and outstanding as of his date of termination, as described above and the right to exercise any Options that have vested as of his date of termination on or before the earlier of their expiry date and 10 days after his termination date. In the event the Corporation terminates the agreement for any reason other than cause, the Corporation shall pay to each Officer an amount equal to a minimum of twelve (12) months and a maximum of eighteen (18) months of the then current annual salary, calculated on the basis on one month per year of service, benefits up to the date of termination, payment of the Annual Bonus at 30% divided by 12 and multiplied by the Months of Notice, and payment of the all LTIP amounts earned in prior years and deferred for payment. The Officers would also be entitled: (a) in respect of any DSUs granted which are outstanding as of his date of termination, to receive a lump sum cash payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in his account and (ii) the fair market value of the Common Shares; and (b) in respect of any Options which have vested as of his date of termination, to exercise such Options on or before the earlier of their expiry date and his termination date (where he is given a reasonable notice period) or 21 days after his termination date (where is he paid compensation in lieu of reasonable notice). The estimated incremental payments and benefits which might be paid by the Corporation for each Officer assuming a termination of employment without cause occurred on December 31, 2018 and he was employed at that time are set forth in the table below.

The total estimated amount that would be payable under the Employment Agreements to each of the currently employed NEO's, is based on a cash payment of their base salary and the target bonus and assuming a cash payment in lieu of continued benefit coverage, no accrued and unpaid vacation pay, no deferred amounts payable under the DSU plan and no acceleration of the vesting of all outstanding Options held by the NEOs and a termination of employment without cause occurred on December 31, 2018 and each was employed at that time, would be approximately as set forth in the following table:

| <b>Name and Principal Position</b>                                         | <b>(\$)</b> | <b>Benefits Related (\$)</b> | <b>Total (\$)</b> |
|----------------------------------------------------------------------------|-------------|------------------------------|-------------------|
| <b>Iain Stewart</b> , President and Chief Executive Officer <sup>(1)</sup> | 450,000     | 4,646                        | 454,646           |
| <b>Wayne King</b> , Chief Financial Officer                                | 200,894     | 4,646                        | 205,540           |
| <b>Parveshinder Sidhu</b> , Vice-President, Home Building                  | 200,894     | 4,646                        | 205,540           |
| <b>Arnie Stefaniuk</b> , Vice-President, Land Development                  | 213,772     | 5,033                        | 218,805           |
| <b>Brian Whitwell</b> , Vice-President, Land and Financing                 | 200,894     | 4,646                        | 205,540           |

**Note**

<sup>(1)</sup> Mr. Griggs was the Chief Executive Officer of the Corporation until September 20, 2018, on which date Mr. Stewart was appointed as the Chief Executive Officer of the Corporation.

The Employment Agreements also contain standard non-solicitation, confidentiality and non-competition provisions. The NEOs have agreed that during their employment and for a period of twelve (12) months following termination of the Employment Agreement, they are not to (i) canvass or solicit the business which is competitive with the Corporation's business; (ii) reproduce confidential information without the Board's prior consent; and (iii) be employed or have a financial interest in a business within the Calgary Metropolitan Region that directly competed with the Corporation's business. The NEOs have agreed to sign a form of full and final release to the Corporation in connection with their termination.

### **Former Executive**

Mr. Grigg's employment with the Corporation as the Chief Executive Officer ended effective September 20, 2018, although, as noted above, he has continued to be a member of the Board and was appointed as the Executive Chair of the Board on September 20, 2018. Mr. Griggs did not receive any severance from the Corporation, nor were any other amounts payable by the Corporation as a result of his resignation.

## **PART V – OTHER INFORMATION**

### **Indebtedness to the Corporation**

As at the date hereof, none of the current or former directors, officers, or employees of the Corporation or its subsidiaries, or any associate or affiliate of the foregoing, have been indebted to the Corporation at any time since the beginning of the most recently completed financial year of the Corporation. None of the persons described in the preceding sentence were at any time since the beginning of the most recently completed financial year of the Corporation indebted to another entity to which the indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

For the purposes of the above, "support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

### **Interest of Informed Persons in Material Transactions**

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, of any "informed person" of the Corporation, any proposed director of the Corporation or any associate or affiliate of any "informed person" or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the above, "informed person" means: (a) a director or officer of the Corporation; (b) a director or officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

### **Dividends**

On September 12, 2018, the Board declared a cash dividend of \$0.24 per Common Share for a total of \$10.3 million payable to shareholders of record on August 28, 2018, which was paid in September 2018. Total dividends declared in the year ended December 31, 2018 were \$10.3 million or \$0.24 per Common Share, compared to \$19.9 million or \$0.46 per Common Share in the year ended December 31, 2017.

Since 2014 when it paid its first dividend, Genesis has returned over \$51.8 million to shareholders by way of dividends as follows:

| <b>Cash Dividends</b> (\$000s, except for per share items)                          | <b>Dividend per share</b> | <b>Total dividends paid</b> |
|-------------------------------------------------------------------------------------|---------------------------|-----------------------------|
| September 2018                                                                      | 0.24                      | 10,309                      |
| December 2017 [September 2017 (0.21 - \$9,083) and December 2017( 0.25 - \$10,813)] | 0.46                      | 19,896                      |
| December 2016                                                                       | 0.25                      | 10,936                      |
| December 2015                                                                       | 0.12                      | 5,331                       |
| June 2014                                                                           | 0.12                      | 5,386                       |
| <b>Total</b>                                                                        | <b>\$1.19</b>             | <b>\$51,858</b>             |

### Normal Course Issuer Bid

On October 3, 2018, the TSX accepted the Corporation's Notice of Intention to renew a normal course issuer bid ("NCIB") for a further period of 12 months to repurchase and cancel up to 2,147,636 Common Shares being approximately 5% of the issued and outstanding Common Shares through the facilities of the TSX and alternative Canadian Trading Systems. The renewed NCIB commenced on October 10, 2018 and terminates on the earlier of (i) October 9, 2019; and (ii) the date on which the maximum number of Common Shares are purchased pursuant to the bid. A copy of the notice of intention to make the normal course issuer bid that was submitted by the Corporation to the TSX may be obtained without charge from the Corporation's office. The Corporation has purchased to date a total of 769,100 Common Shares at an average price of \$3.12 per share.

The prior NCIB, which expired on September 11, 2018, allowed the Corporation to purchase for cancellation up to 2,163,022 Common Shares. The Corporation purchased a total of 300,000 Common Shares at an average price of \$3.67 per share under the prior NCIB. The following table sets forth the total number of Common Shares repurchased and cancelled pursuant to its NCIB program from its initiation date of September 10, 2015 to December 31, 2018.

| <i>(\$000s, except for number of shares and per share items)</i> | <b>Number of shares repurchased and cancelled</b> | <b>Average purchase price per share</b> | <b>Cost of Repurchases (\$000)</b> |
|------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------|------------------------------------|
| 2018                                                             | 1,069,100                                         | 3.27                                    | 3,501                              |
| 2017                                                             | 493,085                                           | 2.95                                    | 1,456                              |
| 2016                                                             | 551,796                                           | 2.95                                    | 1,420                              |
| 2015                                                             | 628,598                                           | 2.81                                    | 1,887                              |
| <b>Total</b>                                                     | <b>2,742,579</b>                                  | <b>\$3.01</b>                           | <b>\$8,264</b>                     |

### Conflict of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are directors and/or officers of other private and public companies and are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations. Situations may arise where such directors and officers will be in competition with the Corporation because of business transactions or banking relationships. Any such conflicts shall be resolved in accordance with the procedures and requirements of the relevant provisions of the *Business Corporations Act* (Alberta), including the duty of such directors to act honestly and in good faith with a view to the best interests of the Corporation and internal policies of the Corporation and in accordance with best practices in governance adopted by the Board.

### Risk Oversight

The Board is responsible for managing principal risks of the Corporation and ensures there are systems in place to effectively monitor

and manage those risks. The Corporation has developed the Code of Conduct and Ethics Policy, which is reviewed and signed by all employees, directors and officers of the Corporation to confirm compliance. The Board reviews and approves strategic, annual operating plans and budgets which are prepared with due consideration of operating and industry risk. There is a timely reporting and review process to the Board in place. In addition there are strong financial and signing authority controls, which are monitored regularly by the Corporation's internal auditor. Further information can be found in the risk sections of the Management Discussion & Analysis and the Annual Information Form for December 31, 2018, which can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.genesisland.com](http://www.genesisland.com).

In the normal course of business, Genesis is exposed to certain risks and uncertainties inherent in the real estate development and home building industries. Real estate development and home building are cyclical businesses. As a result, Genesis profitability could be adversely affected by external factors beyond the control of management. Risks and uncertainties faced by Genesis vary from time to time and include industry risk, competition, supply and demand, geographic risk, development and construction costs, credit and liquidity risks, finance risk, interest risk, management risk, mortgage rates and financing risk, general uninsured losses, cyber-security and business continuity risk, environmental risk, changes in government regulations and delays in obtaining permits or government approvals. The Board ensures that processes are in place for monitoring and mitigating of all risks identified and evaluated by management by regularly undertaking a strategic and operational planning exercise of its current and future land development and home building projects and having an experienced management team. Included in the budget process are detailed capital budgets which include reviewing all financing undertaken to support any new development. A key oversight and control for capital development and financing is the preparation of a detailed development plan for each new phase that is reviewed and approved by the transaction committee prior to being undertaken. In addition, Genesis regularly monitors market conditions that may adversely affect projects that are already underway and finds means to increase efficiencies, reduce the capital invested in work in progress to reduce the risk of the business, and expand the product mix to include small townhouse projects with the goal of reducing costs wherever possible. Genesis secures long-term commitments for supply of materials and obtains fixed pricing for labor costs depending on market conditions and whenever beneficial.

### **Hedging**

The Corporation does not have any policies which restrict its NEOs and directors from purchasing financial instruments including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by any NEO or director.

### **Interest of Certain Persons or Companies in Matters to Be Acted Upon**

Other than disclosed herein, no person who has been a director or officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

### **Statement of Corporate Governance Practices**

The Board believes that adopting and upholding the highest standards of corporate governance is critical for the overall success of the Corporation and to build stakeholder confidence. Sound corporate governance ensures the transparency and accountability in respect of the Corporation's objectives, strategies, controls, and overall performance. The Governance Committee and Board continuously monitor applicable legislation and respond appropriately to ensure the Corporation's compliance.

The Corporation also has a Code of Conduct and Ethics Policy applicable to all officers, directors, and employees. A copy of the Code of Conduct and Ethics Policy can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## Canadian Corporate Governance Requirements

The Canadian Securities Administrators approved National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (the “**Disclosure Instrument**”) effective June 30, 2005. A description of the Corporation’s corporate governance disclosures, as required by the Disclosure Instrument, is set forth in Schedule “A” to this Circular.

## PART VI – ADDITIONAL INFORMATION

### Availability of Information

Additional information relating to Genesis can be found on the Corporation’s website at [www.genesisland.com](http://www.genesisland.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating to Genesis is provided in the Corporation’s audited consolidated financial statements and Management’s Discussion and Analysis (“**MD&A**”) for its most recently completed financial year.

Copies of this Circular, as well as the Corporation’s latest Annual Information Form, audited consolidated financial statements and MD&A for the year ended December 31, 2018 may be obtained without charge to the shareholder upon request to the Corporation at:

Genesis Land Development Corp.  
c/o Investor Relations  
7315 - 8th Street NE  
Calgary, Alberta, Canada  
T2E 8A2  
(403) 265-8079

### Communicating with the Board

Shareholders and other interested parties who wish to communicate with the Board of directors may send their correspondence to:

Genesis Land Development Corp.  
Board of Directors  
c/o Executive Chair of the Board or the Lead Director  
7315 - 8th Street NE  
Calgary, Alberta, Canada  
T2E 8A2

Communications may be addressed to the entire Board, to a committee of the Board or to an individual director. The Corporation will conduct a preliminary review of shareholder communications and decide the timing and appropriate process for providing such communications to the Board, committee, or individual director to whom the communication was addressed.

## SCHEDULE “A”

### CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in this Circular the disclosure required by Form 58-101F1 *Corporate Governance Disclosure* with respect to the matters set out under National Policy 58-201 *Corporate Governance Guidelines*. Copies of the corporate governance policies of the Corporation may be found on the Corporation’s website at [www.genesisland.com](http://www.genesisland.com). The Board strongly believes in sound corporate governance and has adopted comprehensive corporate governance policies and procedures. The Corporation’s key policies are summarized herein.

The Corporation is considered to be a controlled corporation with Smoothwater Capital Corporation (“**Smoothwater**”) being the controlling shareholder. Stephen J. Griggs, Executive Chair of the Board and Chair of the Governance and Compensation Committee is also the CEO of Smoothwater and therefore a related director. Since the Executive Chair is currently a related director, the Board has appointed Steven Glover as the Lead Director and Iain Stewart was appointed as CEO of the Corporation. Mr. Stewart and Mr. Glover are independent of Smoothwater and independent within the meaning of NI 52-110 – *Audit Committees* (“**NI 52-110**”). Under the position description of the Lead Director, Mr. Glover is empowered to strike independent committees as and when required in order to address matters where a conflict of interest involving Smoothwater may exist.

On March 14, 2019, the Board reviewed and revised the Corporation’s governance documents to achieve clarity and be consistent with best practices in governance. The Board makes all appointments to Board committees.

The Board has adopted a policy on engagement with shareholders to provide equal and appropriate access to company information to all shareholders, having regard to the applicable corporate and securities laws including disclosure of non-public material information. The objective of this policy is to enable the Board to actively engage with shareholders, provide a forum for discussion, keep shareholders informed, obtain their valuable feedback, know their priorities and address any concerns expressed. The Board believes that such communication will result in a strong and a trusting relationship between all shareholders and the Corporation.

### Board of Directors

#### *Directors’ Relationship to the Corporation*

A majority of the directors of the Corporation are considered independent under NI 52-110 and are independent of management.

#### Directors’ Relationships to the Corporation

| Director                       | Independent | Not Independent | Reason for Non-Independent Status                                                                                                                                      | Director of Other Reporting Issuers                    |
|--------------------------------|-------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Yazdi Bharucha <sup>(1)</sup>  | ✓           |                 |                                                                                                                                                                        | Centric Health Corporation; Scarborough Health Network |
| Michael Brodsky <sup>(1)</sup> | ✓           |                 |                                                                                                                                                                        | Determine Inc., Id Systems                             |
| Steven J. Glover               | ✓           |                 |                                                                                                                                                                        | None                                                   |
| Stephen J. Griggs              |             | ✓               | Interim CEO from February 17, 2016 and CEO from May 11, 2017 to September 20, 2018 and Executive Chair from September 20, 2018 and therefore not currently independent | None                                                   |
| Mark W. Mitchell               | ✓           |                 |                                                                                                                                                                        | None                                                   |
| Loudon Owen                    | ✓           |                 |                                                                                                                                                                        | Avesoro Resources Inc., Kilo Goldmines Ltd.            |
| Iain Stewart                   | ✓           | ✓               | CEO from September 20, 2018                                                                                                                                            | None                                                   |

#### Note

- <sup>(1)</sup> Yazdi Bharucha and Michael Brodsky are not standing for re-election as directors of the Corporation at the Meeting and will therefore cease to be directors at the conclusion of the Meeting.

The number of Board and Committee meetings in 2018 and from January 1, 2019 to March 19, 2019, and the attendance of individual directors were as follows:

| Director          | Board               | Audit <sup>(1)</sup> | Governance<br>And<br>Compensation <sup>(4)</sup> | Transaction<br>Review <sup>(7)</sup> |
|-------------------|---------------------|----------------------|--------------------------------------------------|--------------------------------------|
|                   | Chair:<br>S. Griggs | Chair:<br>S. Glover  | Chair:<br>S. Griggs                              | Chair:<br>Y. J. Bharucha             |
| Stephen J. Griggs | 8/8                 | n/a                  | 3/3                                              | 3/3 <sup>(8)</sup>                   |
| Yazdi Bharucha    | 8/8                 | 5/5 <sup>(2)</sup>   | n/a                                              | 9/9                                  |
| Michael Brodsky   | 8/8                 | 2/2 <sup>(2)</sup>   | n/a                                              | n/a                                  |
| Steven J. Glover  | 8/8                 | 5/5                  | 1/1 <sup>(5)</sup>                               | n/a                                  |
| Mark W. Mitchell  | 8/8                 | n/a                  | n/a                                              | 9/9                                  |
| Loudon Owen       | 6/8                 | n/a                  | 3/3                                              | n/a                                  |
| Iain Stewart      | 8/8                 | 3/3 <sup>(3)</sup>   | 2/2 <sup>(6)</sup>                               | 6/6 <sup>(9)</sup>                   |

#### Notes

- <sup>(1)</sup> The Audit Committee is composed of Steven J. Glover (Chair), Yazdi Bharucha and Michael Brodsky.
- <sup>(2)</sup> Michael Brodsky was appointed as member of the Audit Committee effective September 20, 2018 and accordingly, the information with respect to Mr. Brodsky's meeting attendance during 2018 has been presented for those Audit Committee meetings held on or after September 20, 2018. Mr. Bharucha and Mr. Brodsky are not standing for re-election at the Meeting and will therefore cease to be directors and members of the Audit Committee at the conclusion of the Meeting. Loudon Owen and Mark Mitchell will be appointed members of the Audit Committee after the conclusion of the Meeting.
- <sup>(3)</sup> Iain Stewart resigned as a member of the Audit Committee on September 20, 2018 when he was appointed as CEO and accordingly the information with respect to Mr. Stewart's meeting attendance during 2018 has been presented for those Audit Committee meetings held prior to September 20, 2018.
- <sup>(4)</sup> The Compensation Committee and the Governance Committee were combined into the "Governance and Compensation Committee" effective September 20, 2018. The Governance and Compensation Committee is composed of Stephen J. Griggs (Chair), Loudon Owen and Steven Glover.
- <sup>(5)</sup> Stephen Glover was appointed to the Governance and Compensation Committee on September 20, 2018 and accordingly, the information with respect to Mr. Glover's meeting attendance during 2018 has been presented for those Governance and Compensation Committee meetings held on or after September 20, 2018.
- <sup>(6)</sup> Iain Stewart resigned as a member of the Governance and Compensation Committee on September 20, 2018 when he was appointed as CEO and accordingly, the information with respect to Mr. Stewart's meeting attendance during 2018 has been presented for those Governance and Compensation Committee meetings held prior to September 20, 2018.
- <sup>(7)</sup> The Transaction Review Committee ("TRC") is composed of Yazdi Bharucha (Chair), Mark W Mitchell and Stephen J. Griggs. Effective May 9, 2019, the TRC will be composed of two members when Yazdi Bharucha retires as a director of the Corporation. The TRC meets on an ad hoc basis. Typically, as transactions requiring TRC approval are identified, a memorandum is circulated via email to all Committee members for their consideration and, where appropriate, TRC members discuss matters by telephone conference. There was 100% participation in all such email or conference call decisions in 2018.
- <sup>(8)</sup> Stephen Griggs was appointed as member of the Transaction Review Committee effective November 13, 2018 and accordingly, the information with respect to Mr. Grigg's attendance during 2018 has been presented for those Transaction Review Committee meetings held on or after November 13, 2018.
- <sup>(9)</sup> Iain Stewart resigned as a member of the Transaction Review Committee on September 20, 2018 when he was appointed as CEO and accordingly, the information with respect to Mr. Stewart's meeting attendance during 2018 has been presented for those Transaction Committee meetings held prior to September 20, 2018.

During 2018, management were invited to attend regularly scheduled Board meetings. The Board generally held an in camera session at each Board and committee meeting with the CEO alone and an in camera session without the CEO present. In 2018, there were 8 in camera sessions held by independent directors. The Board facilitates open and candid discussion among its directors and can meet by themselves without management whenever they wish to do so. While the Board relies heavily on information provided to it by management, it functions independently of management. The directors are in regular communication with the Corporation's CEO, CFO, Vice-Presidents and managers outside of formal Board meetings and processes.

The Board has the responsibility for oversight of strategic development and approval of strategic directions.

Members of the Audit Committee also meet with the Corporation's auditors. These meetings are independent of management for the purposes of planning the auditors' activities and thereafter to supervise such activities. The other purposes of these meetings is to ensure that: the auditors receive full access to all requested information and receive full cooperation of management; that they are not subject to any pressure from management; there are no outstanding disagreements with management; that they are not aware of any evidence of illegal or fraudulent acts; and that they are not aware of any other significant matters that should be brought to the attention of the directors.

Governance matters are discussed by all directors as and when required.

## **Director Terms**

The Corporation does not have formalized term limits in place for its directors and there is no mandatory retirement age in respect of a director's service on the Board. Genesis may consider adoption of term or age limits for its directors in the future.

## **Board Mandate**

The Board has assumed the stewardship of the Corporation. On March 14, 2019, the Board reviewed, adopted and restated the Mandate of the Board, the text of which is attached hereto as Schedule "B". Any responsibility that is not specifically delegated to a Board committee remains with the full Board.

## **Position Descriptions**

### *Position Description of Lead Director*

The Lead Director leads the Board in situations where there is a conflict or a potential conflict with the Chair, provides leadership and independence, and works closely with the Executive Chair. This role is reflected in the revised text of the Board Mandate attached to this Circular as Schedule "B".

### *Position Description of CEO*

The Board together with the CEO has developed a written position description for the CEO, CFO and the Vice-Presidents.

### *Executive Board Chair*

The Executive Chair of the Board presides as chair at all meetings of directors and at all meetings of the shareholders. His responsibilities and role also include acting as authorized spokesperson for and on behalf of the Board and as one of the authorized spokespersons for and on behalf of the Corporation. As Executive Chair of the Board, he provides leadership, support and advice to the Board, committees of the Board, individual directors and the CEO. He is expected to be fair and a good communicator. In the Executive Chair's absence, the Lead Director of the Board presides at meetings of directors and of the shareholders.

## **Board Committees**

Currently, the Board has three standing committees of the Board: the Audit Committee, the Governance and Compensation Committee and the Transaction Review Committee.

The Board has outlined the duties, the role and responsibilities of each of the Audit Committee, the Transaction Review Committee, and the Governance and Compensation Committee in their respective mandate or terms of reference, as well as for the chair of each committee.

## **Director Orientation and Continuing Education**

The Corporation has developed an orientation program for new directors which provides each new director with a Directors Manual containing information regarding the roles and responsibilities of the Board and each committee of the Board, as well as information regarding the nature and operation of the Corporation's business, its organizational structure and governance policies.

The Corporation facilitates the education of directors through memberships in the Institute of Corporate Directors and contributing up to \$2,000 per year to the costs of relevant courses and programs. As well, directors are encouraged to visit the Corporation's offices, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Corporation. Board members have full access to the Corporation's relevant records and are encouraged to conduct field tours to the Corporation's various properties and land holdings. The Board members are made aware of their responsibility to keep themselves up to date on major developments in corporate governance and regulatory requirements.

## **Ethical Business Conduct**

On March 14, 2019, the Board of directors of the Corporation reviewed, restated and confirmed the Code of Conduct and Ethics Policy (the "Code") for the Corporation's directors, officers and employees. The Code addresses honesty and integrity, conflicts of

interest and provides a complaints procedure. The Governance and Compensation Committee reviews the Code at least biennially. The Code is distributed to directors in the Directors Manual and to officers and employees at the commencement of their employment. The Code is also posted on the Corporation's internal website and is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Code reminds those engaged in service to the Corporation that they are required to report perceived or actual violations of the law, violations of the Corporation's policies, dangers to health, safety and the environment, risks to the Corporation's property, and accounting or auditing irregularities to the chair of the Audit Committee, who is an independent director of the Corporation. In addition to requiring directors, officers and employees to abide by the Code, the Corporation encourages consultants, service providers and all parties who engage in business with the Corporation to contact the chair of the Audit Committee of the Corporation regarding any perceived and all actual breaches by the Corporation's directors, officers and employees of the Code.

The chair of the Audit Committee of the Corporation is responsible for investigating complaints, presenting complaints to the applicable Board committee or the Board as a whole, and developing a plan for promptly and fairly resolving complaints. Upon conclusion of the investigation and resolution of a complaint, the chair of the Audit Committee of the Corporation will advise the complainant of the corrective action measures that have been taken or advise the complainant that the complaint has not been substantiated. The Code prohibits retaliation by the Corporation, its directors and management, against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practical. Complainants may also submit their concerns anonymously in writing.

In addition to the Code, the Corporation has an Audit Committee Mandate and a Whistleblower Policy with respect to accounting and auditing irregularities. Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or officer that constitutes a departure from the Code.

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required by the Board Mandate to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Corporation. The Board is responsible for reviewing departures from the Code, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law.

In addition, the Board is responsible for responding to potential conflict of interest situations, particularly with respect to considering existing or proposed transactions and agreements in respect of which directors or officers advise they have a material interest. The Board Mandate requires that directors and officers disclose any interest and the extent, no matter how small, of their interest in any transaction or agreement with the Corporation, and that directors excuse themselves from both Board deliberations and voting in respect of transactions in which they have an interest. By taking these steps, the Board strives to ensure that directors exercise independent judgement, unclouded by the relationships of the directors and officers to each other and the Corporation, in considering transactions and agreements in respect of which directors and officers have an interest. Any director, officer or employee of the Corporation who violates the Code may face disciplinary action up to and including termination of their office or employment with the Corporation for just cause without notice or payment in lieu of notice.

## **Compensation**

The Corporation has a Governance and Compensation Committee that recommends to the Board the compensation to be received by the Corporation's directors and executive officers. Compensation is based on the underlying philosophy that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contributions of the individuals involved and overall performance of the Corporation. With respect to directors' compensation, the Governance and Compensation Committee reviews the level and form of compensation received by the directors, members of each committee, the Board Chair, the Lead Director and the chair of each Board committee, considering the duties and responsibilities of each director, his or her past service and continuing duties in service to the Corporation. The compensation of directors and officers of competitors are considered, to the extent publicly available, in determining compensation and the Governance and Compensation Committee

has the power to engage a compensation consultant or advisor to assist in determining appropriate compensation. The Corporation engaged the services of Hugessen in September 2018 to provide guidance in establishing long term Incentive Compensation plans for the CEO, CFO and the three Vice-presidents and Sunrise assisted in determining the base salary for the Chief Executive Officer.

### **Nomination of Directors and Major Voting Policy**

Please see *Election of Directors - Nomination Process* (see page 5) and *Majority Voting Policy* (see page 19).

### **Audit Committee**

Under National Instrument 52-110 *Audit Committees*, the Corporation is required to include in its Annual Information Form (“AIF”) the disclosure required under Form 52-110F1 *Audit Committee Information Required in an AIF* with respect to its Audit Committee, including the text of its Charter, the composition of the Audit Committee and the fees paid to the external auditor and to include in the Circular a cross-reference to the sections in the AIF that contain the required information. The Corporation’s disclosure with respect to the foregoing is contained in Appendix “A” of the Corporation’s AIF dated March 14, 2019 entitled “*Information Concerning Audit Committee*” and is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Transaction Review Committee**

The Transaction Review Committee (the “**Transaction Committee**”) is composed of three directors, two of whom are independent of management. The Transaction Committee is a standing committee of the Board and has the responsibility to exercise limited powers and authority during intervals between meetings of the Board. The Board has adopted the following Terms of Reference for the committee: (i) to review and approve acquisitions of land parcels of value up to \$15 million and dispositions of land parcels of value in excess of \$2 million but not more than \$15 million and recommend for approval by the Board in excess of \$15 million; and (ii) to review and approve dispositions of non-core assets of the Corporation in value of up to \$15 million and recommend for approval by the Board for values greater than \$15 million; and (iii) review and approve lease and finance agreements and re-financings of existing loans in excess of \$2 million but not more than \$15 million and recommend for approval by the Board for amounts greater than \$15 million.

### **Other Board Committees**

In addition to those described above, the Corporation has a Disclosure Committee.

### **Disclosure Committee**

The Board reviewed and restated its disclosure policy on March 14, 2019, which requires that the CEO establish a Disclosure Committee of the Corporation (the “**Disclosure Committee**”). The Disclosure Committee is comprised of Stephen J. Griggs, director and Executive Chair, the CEO, the CFO and the Controller of the Corporation. Other senior management are invited to participate as and when their contribution is required or determined appropriate by the CEO. The function of the Disclosure Committee is to ensure that the written and oral communications by the Corporation to the public and to applicable regulatory authorities are disseminated in a timely and factually accurate manner and to assist the Corporation in maintaining and complying with its disclosure requirements.

### **Diversity**

The Board recognizes the importance of diversity as a component in ensuring that members of the Board as a whole possess the qualities, attributes, experience and skills required to effectively oversee the strategic direction and management of the Corporation.

The Board believes that diversity includes different skills, industry experience, professional experience and other qualities, as well as gender, race or ethnicity, sexual identity/orientation, age and cultural background. These factors, along with others, like independence and representation of large shareholders, are important for Genesis and are considered and appropriately balanced by the Board when determining membership on the Board and its committees.

The Board reviewed and restated its policy on diversity on March 14, 2019. The policy provides that the Governance and Compensation Committee, which is responsible for recommending director nominees to the Board, in reviewing the Board's composition and identifying suitable candidates, will take into consideration the following factors:

- a) the Board's current and long term composition;
- b) the size of the Board;
- c) the particular competencies and skills required by the Board and its committees at that time; and
- d) the benefits of diversity in order to maintain an optimum mix of skills, knowledge, industry experience and background keeping in mind at all times, the Board's objective to maintain an appropriate balance of merit, diversity, attributes and skills of membership of the Board and its committees.

## SCHEDULE "B"

### MANDATE OF THE BOARD

#### 1) BOARD – GENERAL RESPONSIBILITIES

- 1) stewardship of the Corporation;
- 2) supervising the management of the business and affairs of the Corporation;
- 3) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making;
- 4) acting honestly and in good faith with a view to the best interests of the Corporation;
- 5) exercising the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances;
- 6) directing management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met;
- 7) ensuring that the Board deals effectively and impartially with any matter in which a director may have a conflict of interest;
- 8) meeting in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board; and
- 9) holding meetings of the independent directors with or without management and non-independent directors present.

#### 2) BOARD – INDEPENDENCE, BOARD CHAIR, LEAD DIRECTOR

- 10) a majority of the Board shall, at all times, be independent directors;
- 11) a director shall be considered to be an independent director if such director is independent within the meaning of the then current laws applicable to the Corporation including the additional independence requirements for Audit Committee members currently being section 1.4 and 1.5 of National Instrument 52-110) (the "Audit Committee Standard");
- 12) the Board is responsible to annually select a member of the Board to serve as Board Chair and may select a member of the Board to serve as the Board Vice-Chair. Because Genesis is considered to be a Controlled Corporation (with Smoothwater Capital Corporation as the Controlling Shareholder), the Board shall also appoint a Lead Director who is an independent director in accordance with the Audit Committee Standard. The Lead Director shall have the competencies and skills that the Board determines are necessary for the role;

#### 3) BOARD RESPONSIBILITIES - COMMITTEES

- 13) establishing such committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board, including the Audit, Transaction Review, Compensation, and Governance Committees, and any applicable special committees;
- 14) appointing directors to serve as members of each committee, in accordance with the requirements, if any, of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. At least a majority of the members of each committee are to be independent directors;
- 15) appointing a chair of each committee (provided that, if a Lead Director is appointed, the Lead Director shall Chair the Governance Committee) to:
  - I. provide leadership to the committee;
  - II. manage the affairs of the committee;
  - III. ensure the committee functions effectively and impartially in fulfilling their duties to the Board and the Corporation; and

IV. receiving and considering reports and recommendations of committees of the Board.

**4) BOARD RESPONSIBILITIES – GOVERNANCE**

- 16) reviewing and either approving or requiring revisions to these Governance Policies;
- 17) taking reasonable steps, including regular assessments, to satisfy itself that each director, the CEO, and the executive officers are:
  - I. performing their duties ethically;
  - II. conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Policies;
  - III. fostering a culture of integrity throughout the Corporation; and
  - IV. arranging for the relevant Governance Policies to be publicly disclosed on the Corporation's website;
- 18) approving and implementing a Code of Business Conduct and Ethics (refer to Appendix A of these policies), Whistle Blower Policy (refer to Part 20 of these policies) and a Disclosure Policy (refer to part 21 of these policies) which provides for disclosure and communications practices governing the Corporation;
- 19) approving and maintaining a process (refer to part 11 of these policies) for the Corporation's stakeholders to contact the Chair or Lead Director of the Board directly with concerns and questions regarding the Corporation;
- 20) reviewing departures in practice from the Governance Policies;
- 21) providing or denying waivers from the Governance Policies; and
- 22) recommending nominees to the Board for approval by the shareholders.

**5) BOARD RESPONSIBILITIES – CHIEF EXECUTIVE OFFICER**

- 23) establishing the CEO role;
- 24) establishing the goals and objectives of the CEO;
- 25) evaluating the CEO's performance; and
- 26) establishing the CEO's compensation.

**6) BOARD RESPONSIBILITIES – AUDIT, FINANCE AND RISK**

- 27) adopting a process to identify business risks and ensure appropriate systems to manage risks;
- 28) ensuring policies and procedures are in place and are effective to maintain the integrity of the Corporation's:
- 29) disclosure controls and procedures;
- 30) internal controls over financial reporting; and
- 31) management information systems; and
- 32) recommending the appointment of the Corporation's external auditors for approval by the shareholders; and
- 33) reviewing and approving prior to their public dissemination:
  - 34) interim and annual financial statements;
  - 35) interim and annual managements' discussion and analysis;
  - 36) relevant sections of the annual report (if applicable), annual information form and management information circular containing financial information;
  - 37) forecasted financial information and forward looking statements; and

- 38) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed

**7) BOARD RESPONSIBILITIES – STRATEGY AND CAPITAL ALLOCATION**

- 39) adopting a strategic planning process for maximizing shareholder value, approving a strategic plan, and monitoring the Corporation's performance against its strategic plan;
- 40) approving annual capital and operating budgets to implement the strategic plan;
- 41) approving share buybacks, dividends and distributions; and
- 42) establishing authorities regarding business transactions and financings as follows:
  - I. delegating authority for approval and/or execution of business transactions and financings to the Corporation's management or Transaction Review Committee in accordance with prescribed monetary limits or other conditions as determined by the Board by resolution from time to time; and
  - II. approving business transactions and financings not authorized for approval by the Corporation's management or Transaction Review Committee, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions not in the normal course of business.

This mandate was approved by the Board of directors of the Corporation on the 9th day of November, 2017, reviewed and restated on March 14, 2019.

## APPENDIX “1”

### 2018 STOCK OPTION PLAN

#### 1) INTERPRETATION

In this Plan (including this clause), unless there is something in the subject or context inconsistent therewith, words importing the singular number includes the plural and vice versa, words importing the masculine gender includes the feminine and neuter genders and the expressions following have the following meanings, respectively:

- (a) “Associate” has the meaning ascribed thereto in the Securities Act;
- (b) “Black-Out Expiry Date” means ten (10) business days from the date that any Black-Out Period ends;
- (c) “Black-Out Period” means a period of time imposed by the Corporation upon certain designated persons during which those persons may not trade in any securities of the Corporation;
- (d) “Board” means the Board of Directors of the Corporation;
- (e) “Change of Control” means the purchase or acquisition of Common Shares and/or securities convertible into or exchangeable or exercisable for Common Shares as a result of which a person, group of persons or persons acting jointly or in concert, or persons who are Associates of or affiliated with, within the meaning of the Securities Act, any such person, group of persons or any of such persons acting jointly or in concert, beneficially owns or exercises control or direction over Common Shares and/or securities convertible into or exchangeable or exercisable for Common Shares such that, assuming the conversion, exercise or exchange of all such securities, would entitle such person, group of persons or persons acting jointly or in concert to cast 50% plus one of the votes attaching to all Common Shares of the Corporation, excluding, however, a purchase or acquisition of Common Shares in connection with a Reverse Take-Over, and provided that the beneficial ownership by or exercise or control or direction over securities by shareholders of the Corporation as at the date hereof shall not constitute or be counted towards a Change of Control;
- (f) “Committee” means a committee of Directors appointed by the Board as contemplated by Clause 3 hereof;
- (g) “Common Share” means a common share in the capital stock of the Corporation and, after any adjustments pursuant to Clause 7 hereof, means the shares or other securities or property which, as a result of such adjustments and all prior adjustments pursuant to Clause 7, the holders of Options are then entitled to receive on the exercise thereof;
- (h) “Consultant” means any person or company engaged to provide ongoing management or consulting services for the Corporation or for any entity controlled by the Corporation;
- (i) “Corporation” means Genesis Land Development Corp. and any successor or continuing corporation resulting from any form of corporate reorganization;
- (j) “Early Termination Date” means, in respect of any Option, 5:00 p.m. (Calgary time) on the date that an Option terminates prior to the Normal Expiry Date;
- (k) “Exchange” means the Toronto Stock Exchange or, if the Common Shares are not then listed and posted for trading on the Toronto Stock Exchange, on such stock exchange in Canada on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Board;
- (l) “Exercise Price” means the purchase price of Option Shares under an Option Agreement determined as provided in subclause 6(b) of this Plan;

- (m) “Expiry Date” means the Normal Expiry Date or the Early Termination Date, as the case may be;
- (n) “Insider” has the meaning ascribed thereto in the Securities Act and also includes Associates and affiliated persons or companies within the meaning ascribed thereto in the Securities Act;
- (o) “Market Price” at any date and in respect of an Option, means:
  - (i) *where the Common Shares are not listed and posted for trading on a stock exchange, the value conclusively determined by the Board or Committee, as the case may be, on the Option Date; or*
  - (ii) *where the Common Shares are listed and posted for trading on a stock exchange, the closing price of the Common Shares on the principal stock exchange on which they are traded on the last trading day immediately preceding the Option Date;*
- (p) “Normal Expiry Date” means, in respect of any Option, 5:00 p.m. (Calgary time) on the date determined by the Corporation and specified in the particular Option Agreement on which the Option would normally terminate, which date may not be later than ten years after the Option Date;
- (q) “Offer” means an offer made generally to the holders of the Common Shares in one or more jurisdictions to acquire, directly or indirectly, Common Shares and which is in the nature of a “takeover bid” as defined in the Securities Act and where the Common Shares are listed and posted for trading on a stock exchange, not exempt from the formal bid requirements of the Securities Act;
- (r) “Option” means a right to purchase a Common Share pursuant to this Plan and an Option Agreement;
- (s) “Option Agreement” means an agreement entered into between the Corporation and a Participant pursuant to which an Option is granted to a Participant and which contains such provisions not inconsistent with this Plan as the Board or the Committee may determine;
- (t) “Option Date” means the date on which an Option is granted by the Corporation to a Participant which for greater certainty is the date on which the grant of the Option is approved by the Board or the Committee, as the case may be;
- (u) “Option Shares” means the Common Shares which a Participant is entitled to purchase under an Option whether or not the rights to purchase all such Common Shares have vested in and to the Optionee;
- (v) “Optionee” means a Participant who has entered into an Option Agreement with the Corporation;
- (w) “Participant” means, on any date, a person who is at least one of the following:
  - (i) *regularly employed by the Corporation or one of its subsidiaries on that date;*
  - (ii) *an officer of the Corporation or one of its subsidiaries on that date;*
  - (iii) *a director of the Corporation or one of its subsidiaries on that date;*
  - (iv) *a Consultant to the Corporation or one of its subsidiaries on that date; or*
  - (v) *a corporation, the shares of which are wholly owned by a person described in subclause (i), (ii), (iii) or (iv);*
- (x) “Plan” means the Corporation’s “2018 Stock Option Plan” embodied herein, as from time to time amended;
- (y) “Reverse Take-Over” means a transaction in the nature of a “reverse take-over” as defined in the policies of any stock exchanges upon which the Common Shares are listed and posted for trading; and
- (z) “Securities Act” means the *Securities Act* (Alberta), as amended.

## **2. PURPOSE OF THE PLAN**

The purpose of the Plan is to develop the interest of Optionees in the growth and development of the Corporation by providing such persons with the incentive and opportunity to acquire an increased proprietary interest in the Corporation and to better enable the Corporation and its subsidiaries to attract and retain persons of desired experience and ability. The Plan and all Options issued hereunder are subject to the Board obtaining the requisite approval of holders of Common Shares at the next occurring meeting of the shareholders of the Corporation, and pending such approval, no Option shall vest or be exercisable. In the event that such shareholder approval of the Plan is not obtained, the Plan shall immediately terminate, and all Options previously granted under the Plan shall terminate and be of no further force and effect.

## **3. ADMINISTRATION, PARTICIPANTS AND ALLOTMENTS**

- (a) The Board will administer the Plan. The Board may at any time or from time to time delegate to a Committee the responsibility for administering the Plan or elements thereof. The Board, or the Committee if so empowered, will determine from time to time those Participants to whom Options should be granted, the Normal Expiry Date, the number of Common Shares which should be optioned from time to time to any Participant, the Exercise Price, the vesting period and such other terms and conditions of the Option Agreement, not inconsistent with the Plan, as the Board or the Committee in its discretion may determine. The Board or the Committee may prescribe rules and regulations relating to the Plan and any Options granted hereunder and may approve the form and content and prescribe the use of such forms of applications, directions, powers of attorney, and other documents or instruments, either generally or in specific cases, as may be deemed necessary or advisable, for the grant or issuance of Options under the Plan and for the proper administration and operation of the Plan. The Board or the Committee will review the Plan from time to time with a view to making revisions to it, granting additional Options and, in the case of the Committee, making appropriate recommendations to the Board. Nothing contained in the Plan or in any resolution adopted or to be adopted by the Board or by the Committee constitutes an Option hereunder.
- (b) An Option granted by the Board or the Committee to a Participant pursuant to the Plan is subject to, and is of no force and effect until, the execution and delivery of, an Option Agreement by both the Corporation and such Participant and the Corporation obtaining all of the required approvals described in Clause 3(d).
- (c) The Corporation is responsible for all costs of administration of the Plan.
- (d) The implementation of the Plan, the grant or exercise of any Options pursuant to the Plan and, from time to time, the operation and administration of the Plan is subject to receipt by the Corporation of all necessary approvals, advance rulings, exemptions or registrations required or deemed advisable under applicable law or regulatory policy including without limiting the generality of the foregoing, all necessary approvals or registrations required by any and all stock exchanges upon which the Common Shares are listed and posted for trading.

## **4. COMMON SHARES SUBJECT TO PLAN**

- (a) The maximum number of Common Shares issuable pursuant to Options issued and outstanding under the Plan shall not exceed ten (10%) percent of the aggregate number of issued and outstanding Common Shares at the time of grant of any Option, as determined on a non-diluted basis.
- (b) The aggregate number of Common Shares issued under the Plan and under any other security based compensation arrangement of the Corporation, if any, to Insiders, within any one year period, shall not exceed ten (10%) percent of the issued and outstanding Common Shares.
- (c) The aggregate number of Common Shares issuable under the Plan and under any other security based compensation arrangement of the Corporation, if any, to Insiders, shall not exceed (10%) of the issued and outstanding Common Shares.

For the purposes hereof, the number of issued and outstanding Common Shares is determined as the number of Common Shares that are issued and outstanding immediately prior to a proposed grant of Options.

## 5. PARTICIPATION IN THE PLAN

- (a) Only a person who is a Participant is eligible to participate in the Plan.
- (b) Participation in the Plan by a Participant is entirely voluntary and does not affect the Participant's employment or continued retainer by, or other engagement with, the Corporation or its subsidiaries. None of the Plan or any Options granted under the Plan of itself gives any Participant the right to continue to be an employee, officer, director or consultant of the Corporation or any subsidiary thereof. None of the terms and conditions governing the Option are affected by any change in the Optionee's employment by or engagement with the Corporation so long as the Optionee continues to be a Participant.

## 6. CERTAIN TERMS OF OPTION AGREEMENTS

In order to constitute a valid Option granted under this Plan, the Optionee and the Corporation must enter into an Option Agreement in the form acceptable to the Board or the Committee, as the case may be.

An Option Agreement may, in respect of any Option, specify a number or percentage of Option Shares that the Participant may exercise in any specified period, year or number of years. In addition, Option Agreements are deemed to contain the following provisions with respect to the exercise of Options under the Plan:

- (a) An Option under the Plan is only exercisable for a minimum of 100 Common Shares at any one time.
- (b) The Exercise Price must not be less than the Market Price and upon exercise of the Option must be paid in full in respect of those Option Shares being acquired in Canadian funds by cash, certified cheque or bank draft payable to or to the order of the Corporation at the time of exercise.
- (c) Each Option terminates on its Normal Expiry Date but subject always to the provisions of subclause 6(d) of this Plan.
- (d) If, after the Option Date and on or before the exercise in full of the Option or the Normal Expiry Date, the Optionee ceases to be a Participant:
  - (i) *by reason of the Optionee's permanent physical or mental disability, or death, then such Optionee's Options may be exercised to purchase the total number of Option Shares not previously purchased by the Optionee whether or not the rights to purchase some or all of those Option Shares have previously vested in and are exercisable by the Optionee as at the date of ceasing to be a Participant, provided such exercise occurs at any time on or before the earlier of the Normal Expiry Date and the date that is 12 months after the date the Optionee ceases to be a Participant, due to such permanent physical or mental disability, or death. Thereafter, the Option and all unexercised rights to acquire Option Shares thereunder cease and expire and are of no further force and effect. For greater certainty but without limiting the generality of the foregoing, if the Optionee is deemed to be an employee of the Corporation pursuant to a medical or disability plan of the Corporation or a subsidiary thereof, the Optionee is deemed to be an employee for the purpose of the Plan and the Option; or*
  - (ii) *due to the Optionee's employment being terminated by the Corporation for cause and the Optionee is not entitled to notice or to a period of notice of such termination or compensation in lieu thereof, the Optionee may exercise the Option to purchase Option Shares not previously purchased by the Optionee but only to the extent that rights to purchase Option Shares have vested in and are exercisable by the Optionee as at the date of such ceasing to be a Participant, provided that such exercise occurs at any time on or before the earlier of the Normal Expiry Date and the date that is no more than 10 days following the date the Optionee ceases to be a Participant. Thereafter, the Option and all unexercised rights to acquire Option Shares thereunder, whether or not such rights have vested to and in favour of the Optionee, cease and expire and are of no further force and effect; or*
  - (iii) *due to the Optionee's employment being terminated by the Corporation without notice or compensation in lieu thereof, and the Optionee is entitled to reasonable notice of termination or compensation in lieu thereof, then:*

- A. the Optionee may exercise the Option to purchase Option Shares not previously purchased by the Optionee but only to the extent that rights to purchase Option Shares have vested in and are exercisable by the Optionee on or before the date of such Optionee ceasing to be a Participant, provided that such exercise occurs at any time on or before the earlier of the Normal Expiry Date and:
  - (1) where the Optionee is given a reasonable period of notice prior to termination, the date the Optionee ceases to be a Participant; or
  - (2) where the Optionee is paid compensation in lieu of reasonable notice of termination, the date that is 21 days after the Optionee ceases to be a Participant; and
- B. the Optionee is not entitled:
  - (1) to further time to exercise the Option during such reasonable notice period or during such specific notice period; or
  - (2) compensation in lieu thereof by way of general damages, or special damages, whether in contract, tort or otherwise.

Thereafter, the Option and all unexercised rights to acquire Option Shares thereunder, whether or not such rights have vested to and in favour of the Optionee, cease and expire and are of no further force and effect.

- (e) With respect to subclause 6(d) (i) of this Plan, the rights under the Option exercisable after the death or disability of the Optionee, as therein specified, may be exercised by the person or persons to whom the Optionee's rights under the applicable Option Agreement pass by will or applicable law or, if no such person has such right, by the deceased or disabled Optionee's legal representatives, within one year from the date of death or disability.
- (f) An Optionee has no rights whatsoever as a shareholder in respect of any of the Option Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Common Shares in respect of which the Optionee has exercised his Option to purchase thereunder, which the Optionee has actually taken up and paid for, and which have been duly issued to the Optionee and are outstanding as fully paid and non-assessable Common Shares.
- (g) If the Expiry Date of an Option is on a date during a Black-Out Period applicable to a Participant holding such Option, the Expiry Date shall be extended to the Black-Out Expiry Date.

## 7. CHANGES IN STOCK

In the event:

- (a) of any change or proposed change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
- (b) of any issuance of shares, or distribution in kind of any securities, property or assets of the Corporation, to the holders of Common Shares (excluding in all cases any cash dividends declared or paid by the Board from time to time);
- (c) that any rights are granted to holders of Common Shares to purchase Common Shares at prices materially below fair market value; or
- (d) that as a result of any recapitalization, merger, consolidation or otherwise the Common Shares are converted into or exchangeable for any other shares or securities;

then in any such case:

- (e) the Board will proportionately adjust the number of Option Shares available for Options, the number of Option Shares covered by outstanding Options, the securities or other property that may be acquired upon the exercise of an Option and the price per Option Share in such Option, or one or more of the foregoing, to prevent substantial dilution or enlargement of the rights granted to, or available for, Optionees/Participants; and
- (f) the Board, in its discretion, may determine that:
  - (i) *all or any part of the unexercised and unvested outstanding Options granted under the Plan vest and are exercisable on a date specified by the Board and the unexercised and unvested portion of such Options are thereupon deemed to have been vested and are exercisable on and after the date so specified in respect of any and all Option Shares for which the Optionee has not exercised the Option (notwithstanding that an Option Agreement states that those Options are exercisable only during a later period or year); or*
  - (ii) *such Options may be exercisable for a limited period of time only and, if so, the Board will determine such period of time,*

and such determination or limitation, once made or set, is deemed to be incorporated into the applicable Option Agreement(s).

## **8. TAKEOVER BID**

If an Offer is made which, if successful, would result in a Change of Control, then all unexercised and unvested outstanding Options shall immediately vest and become exercisable by the Participants, notwithstanding any other vesting provisions in the Plan or in an Option Agreement, as to all or any of the Common Shares in respect of which such Options have not previously been exercised, but such shares may only be purchased for tender pursuant to such Offer. If for any reason such shares are not taken up and paid for by the offeror pursuant to the Offer, any such shares so purchased by a Participant shall be deemed to be cancelled and returned to the treasury of the Corporation, shall be added back to the number of Common Shares remaining available under the Plan and, upon presentation to the Corporation of share certificates representing such shares properly endorsed for transfer back to the Corporation, the Corporation shall refund to the Participant all consideration paid for such shares and, in such event, the Participant shall thereafter continue to hold the same number of unexercised and unvested outstanding Options on the same terms and conditions, including the Exercise Price thereof, as were applicable thereto immediately prior to time the subject Offer was made.

## **9. ARRANGEMENT, AMALGAMATION OR SALE**

If the Corporation files articles of arrangement providing that the Common Shares are transferred in exchange for securities of another corporation, the units of a royalty trust or income trust, the units of a limited partnership or any other security, or are merged into or amalgamated with any other corporation, or sells all or substantially all of its assets, the Corporation will make provision that, upon the exercise of any outstanding Options after the effective date of such transaction, the Participants shall receive such number of securities of the other, continuing or successor corporation, trust or limited partnership, as the case may be, in such arrangement, merger or amalgamation or of the shares or units of the purchasing corporation, trust or limited partnership, as the case may be, in such sale as the Participants would have received as a result of such transaction if the Participants had exercised the Options immediately prior thereto, for the same consideration paid on the exercise of such Options, and had held Common Shares on the effective date of such transaction. Upon such provision being made, the obligations of the Corporation to the Participants pursuant to the Option Agreements and under this Plan shall terminate and be at an end. If such arrangement, merger or amalgamation results in a Change of Control, the provisions of Clause 8 shall apply and the context thereof and all references therein to "Offer" are to be read as being applicable to an "arrangement, merger or amalgamation".

## **10. PUT RIGHT**

An Optionee may exercise the right (the "Put Right") from time to time other than during a Blackout Period to require the Corporation to purchase for cash or Common Shares all or any part of the then vested Options of the Optionee by delivery to the Corporation, at its head office, of a written notice of exercise ("Put Notice") (in such form as the Board may approve from time to time) specifying the number of Options with respect to which the Put Right is being exercised and whether the purchase of such Options is to be by cash or Common Shares. The Corporation shall have sole discretion to determine whether any such purchase will be made for cash or Common Shares and shall have no obligation to purchase any Options for cash (if specified in the Put Notice or otherwise). The Corporation will purchase from the Optionee all of the Options specified in the Put Notice at a price (the "Put Price") equal to the excess of the closing price of the Common Shares on the principal stock exchange on which they are traded on the date

of receipt of the Put Notice by the Corporation (the "Notice Date") over the Exercise Price for each Option being purchased under the Put Right or such other amount as may be agreed to by the Optionee and the Corporation. Upon the exercise of the Put Right: (i) if the Put Notice specifies payment in cash and the Corporation's determination is to pay in cash, the Corporation shall cause to be delivered to the Optionee a cash payment representing the Put Price within three business days of the Notice Date; and (ii) if the Put Notice specifies payment in Common Shares, or if the Put Notice specifies payment in cash but the Corporation's determination is to pay in Common Shares rather than cash, then the Corporation will cause to be delivered to the Optionee Common Shares issued from treasury (valued at the five-day volume weighted average of the prices at which the Common Shares traded on the Exchange immediately preceding the date of issuance of such Common Shares) representing the Put Price within three business days of the Notice Date. The Corporation will promptly cancel any Options purchased by the Corporation from an Optionee pursuant to this Clause 10. Notwithstanding the foregoing, the Corporation may at its sole discretion decline to accept and, accordingly, have no obligations with respect to the exercise of a Put Right at any time and from time to time.

#### **11. COMMON SHARES FULLY PAID AND NON-ASSESSABLE**

All Common Shares issued upon the exercise of any Option are to be issued as fully paid and non-assessable Common Shares.

#### **12. CONDITIONS OF ISSUANCE OF COMMON SHARES**

- (a) If at any time the Board or Committee (as the case may be) determines, in its discretion that:
- (i) *the registration or qualification of the Common Shares which are the subject of any Option Agreement, or the consent or approval of, any securities commission or any stock exchange upon which the Common Shares are listed;*
  - (ii) *the registration or qualification under any laws of Canada or any Province thereof or of the United States or any state thereof or the consent or approval of any regulatory authority thereof;*
  - (iii) *evidence (in form and content satisfactory to the Board) of the investment intent of the Optionee; and/or*
  - (iv) *an undertaking of the Optionee as to the sale or disposition of such Option Shares that may be purchased pursuant to an Option Agreement to the effect that such Option Shares once purchased are not to be traded by the Optionee for a specified period of time,*

is necessary or desirable as a condition of the issuance of any Option Shares pursuant to any Option Agreement, then the issuance of any Common Shares is not to be made unless and until such registration, qualification, consent, approval, evidence or undertaking has been effected or obtained free of any condition not acceptable to the Board or Committee.

- (b) Any trade by the Optionee in any Common Shares issued to the Optionee pursuant to the Plan including, without limiting the generality of the foregoing, any sale or disposition for valuable consideration, and any transfer, pledge or encumbrance of any Common Shares issued to an Optionee pursuant to the Plan, is subject to such regulatory approvals and other restrictions under applicable securities laws and regulatory policies as may be required at the time of such trade. Accordingly, the Corporation makes no representation as to the ability of any Optionee to trade in such Common Shares.
- (c) The Corporation cannot assure a profit or protect the Optionee against a loss on the Common Shares purchased under the Plan. The Corporation assumes no responsibility relating to any tax liability of the Optionee by reason of the exercise of any Option or any subsequent trade.

#### **13. ACCOUNTS AND STATEMENTS**

The Corporation will maintain records indicating the number of Options granted to each Optionee and the number of Options exercised under the Plan. Upon written request from an Optionee, the Corporation will furnish to that Optionee a statement indicating the number of Options held on his behalf.

#### 14. APPLICATION TO OUTSTANDING OPTIONS

The Plan shall govern all outstanding Options previously granted by the Corporation on and after the date of approval of the Plan by the Board and upon receipt from each holder of outstanding Options of an agreement agreeing and acknowledging that their outstanding Options are subject to the Plan, but in all other respects still subject to the same terms and conditions applicable on the initial date of grant.

#### 15. AMENDMENT AND TERMINATION

- (a) The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of the shareholders of the Corporation, amend, suspend, terminate or discontinue the Plan or may amend the terms and conditions of a specific Option granted pursuant to the Plan without the prior written consent of an Optionee, subject to any required approval of any regulatory authority or the Exchange, provided that no such action shall adversely affect (except as specifically provided for in this Plan or an applicable Option Agreement) any Options previously granted to such Optionee and in respect of which the conditions of Clause 3(b) hereof have been satisfied. Upon the suspension, discontinuation or termination of this Plan or any portion hereof, any Option granted prior thereto and in respect of which the conditions in Clause 3(b) hereof have been satisfied shall remain exercisable in accordance with its terms as specified herein and in the Option Agreement.
- (b) An amendment the Board may effect pursuant to Section 15(a) includes, without limitation, an amendment that:
- (i) *is for the purpose of curing any ambiguity, error or omission in the Plan to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;*
  - (ii) *is necessary to comply with applicable law or the requirements of any stock exchange on which the Common Shares of the Corporation are listed;*
  - (iii) *is an amendment to the Plan respecting administration and eligibility for participation under the Plan;*
  - (iv) *is to alter, extend or accelerate the terms and conditions of vesting applicable to any Option;*
  - (v) *is to accelerate the Expiry Date of any Option;*
  - (vi) *is to determine the adjustment provisions pursuant to Article 7 hereof;*
  - (vii) *amends the definitions contained in the Plan;*
  - (viii) *amends or modifies the mechanics of exercise of Options;*
  - (ix) *changes the termination provisions of an Option or the Plan, provided the change does not entail an extension beyond the original Expiry Date of such Option;*
  - (x) *is an amendment to the Plan of a "housekeeping nature"; or*
  - (xi) *any other amendment that does not require shareholder approval under the rules, regulations and policies of the Exchange.*
- (c) Notwithstanding Clauses 15(a) and 15(b), the approval of the shareholders of the Corporation will be required for amendments to the Plan or to any Option which:
- (i) *reduce the Exercise Price of Options benefiting an Insider;*
  - (ii) *extend the Expiry Date of Options benefiting an Insider;*
  - (iii) *increase the maximum number or percentage of Common Shares issuable pursuant to Options issued and outstanding under the Plan;*
  - (iv) *add any form of financial assistance by the Corporation for the exercise of any Option;*

- (v) *change the class of Participants which would have the potential of broadening or increasing participation by Insiders of the Corporation;*
  - (vi) *amend, remove or exceed the Insider participation limit pursuant to Article 4 hereof; or*
  - (vii) *amend the provisions of this Clause 15.*
- (d) If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board shall remain able to make such amendments to the Plan or the Options as they would have been entitled to make if the Plan were still in effect.

## **16. TAX WITHHOLDINGS**

- (a) Despite any other provision contained in this Plan, in connection with the exercise of an Option by an Optionee from time to time, the Corporation may withhold from any amount payable to an Optionee, including the issuance of Common Shares to an Optionee upon the exercise of such Optionee's Options, such amounts as are required by law to be withheld or deducted as a consequence of his exercise of Options or other participation in this Plan ("Withholding Obligations"). The Corporation has the right, in its sole discretion, to satisfy any Withholding Obligations by:
- (i) *selling or causing to be sold through a broker, on behalf of any Optionee, such number of Common Shares issued to the Optionee on the exercise of Options as is sufficient to fund the Withholding Obligations;*
  - (ii) *retaining the amount necessary to satisfy the Withholding Obligations from any amount which would otherwise be delivered, provided or paid to the Optionee by the Corporation, whether under this Plan or otherwise;*
  - (iii) *requiring the Optionee, as a condition of exercise to (i) remit the amount of any such Withholding Obligations to the Corporation in advance; (ii) reimburse the Corporation for any such Withholding Obligations; or (iii) cause a broker who sells Common Shares acquired by the Participant on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligation and to remit such amount directly to the Corporation; and/or*
  - (iv) *making such other arrangements as the Corporation may reasonably require,*
- provided that, for greater certainty, no determination by the Corporation in respect of any of the foregoing shall be made during a Black-Out Period.*

## **17. WAIVER**

No waiver by the Corporation of any term of this Plan or any breach thereof by an Optionee is effective or binding on the Corporation unless the same is expressed in writing and any waiver so expressed does not limit or affect its rights with respect to any other or future breach.

## **18. NOTICES**

The manner of giving notices to the Corporation or to an Optionee is to be specified in the Option Agreement with such Optionee.

## **19. GENERAL**

- (a) This Plan and each Option granted under this Plan are to be governed by and construed in accordance with the laws of the Province of Alberta and any Option Agreement entered into pursuant to this Plan is to be treated in all respects as an Alberta contract.

- (b) Nothing contained herein restricts or limits or is deemed to restrict or limit the rights or powers of the Board in connection with any allotment and issuance of shares in the capital stock of the Corporation which are not reserved for issuance hereunder.
- (c) This Plan and any Option Agreement entered into pursuant hereto enure to the benefit of and are binding upon the Corporation, its successors and assigns. The interest of any Optionee hereunder or under any Option Agreement is not transferable or alienable by the Optionee either by assignment or in any other manner whatsoever and, during his lifetime, is vested only in him, but, subject to the terms hereof and of the Option Agreement, enures to the benefit of and is binding upon the legal personal representatives of the Optionee.
- (d) Upon granting options to employees or Consultants the Corporation will represent that the Optionee is a bona fide employee or Consultant as the case may be.

**20. EFFECTIVE DATE**

This Plan is effective as of 20<sup>th</sup> day of September, 2018.

# GENESIS

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