

TARGET CAPITAL INC.
NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JANUARY 31, 2023
AND
MANAGEMENT INFORMATION CIRCULAR

DECEMBER 23, 2022

**TARGET CAPITAL INC.
NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF THE HOLDERS OF COMMON SHARES
TO BE HELD ON JANUARY 31, 2023**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Common Shares**") in the capital of Target Capital Inc. (the "**Company**") will be held virtually at https://teams.microsoft.com/join/19%3ameeting_MGU1M2Y4ZDqtOTIyMi00NDVhLTgyNDAtMGFkODdkMTNhMjE5%40thread.v2/0?context=%7b%22Tid%22%3a%22394646df-a118-4f83-a4f4-6a20e463e3a8%22%2c%22Oid%22%3a%224b3656b7-cc9b-4639-8926-bfd347b76ef8%22%7d on Tuesday, January 31, 2023 at 10:00 a.m. (Calgary time), for the following purposes:

1. to receive the financial statements for the fiscal years ended March 21, 2022, March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018, and the respective reports of the auditors thereon;
2. to fix the number of directors to be elected at three;
3. to elect directors for the ensuing year;
4. to appoint the auditors of the Company to hold office until the next annual meeting of the Shareholders and to authorize the board of directors to fix their remuneration;
5. to adopt and approve a new stock option plan of the Company, as more particularly described in the management information circular dated December 23, 2022 (the "**Information Circular**");
6. to authorize and approve the change of the name of the Company to such name as may be determined by the board of directors, in its sole discretion, as more particularly described in the Information Circular;
6. to authorize the directors, at their discretion, to consolidate the Common Shares on the basis of a ratio of up to forty (40) pre-consolidation Common Shares for each one (1) post-consolidation Common Share, as described in the Information Circular;
7. to authorize the directors, at their discretion, to amalgamate the Company with Industrial Avenue Development Corp., a partially-owned inactive subsidiary of the Company, as more particularly set forth in the Information Circular; and
8. to transact such other business as may properly come before the Meeting or any adjournments thereof.

Only Shareholders of record at the close of business on December 23, 2022 (the "**Record Date**") are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote, unless, after the Record Date, a holder of record transfers his or her Common Shares and the transferee, upon producing properly endorsed share certificates or otherwise establishing that he or she owns such Common Shares, requests, not later than 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote such Common Shares, in which case such transferee shall be entitled to vote such Common Shares, as the case may be.

Registered Shareholders are requested to date and sign the enclosed form of proxy (the "Form of Proxy") and return it to the Company's transfer agent, Odyssey Trust Company. To be effective, the Form of Proxy must be mailed so as to reach or be deposited with Odyssey Trust Company, at Trader's Bank Building, 702 67 Yonge St, Toronto, ON, Attention: Proxy Department or by fax at (800) 517-4553 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the

Province of Alberta) prior to the time set for the Meeting or any adjournment or postponement thereof or may be accepted by the Chairperson of the Meeting by email to target@5qir.com at his or her discretion prior to the commencement of the Meeting. The Form of Proxy or other instrument used to appoint a proxy shall be executed by the registered Shareholder or its attorney, or if such registered Shareholder is a Company, under the corporate seal, and executed by a director, officer or attorney thereof duly authorized. Alternatively, a registered Shareholder may complete its Form of Proxy online at <https://login.odysseytrust.com/pxlogin> by following the instructions provided on the Form of Proxy.

As a Shareholder of the Company, it is very important that you read the Information Circular and other Meeting materials carefully. They contain important information with respect to voting your Common Shares and attending and participating at the Meeting.

All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described above as in-person voting at the time of the Meeting will not be possible.

A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form, to represent such Shareholder at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form.

The Information Circular relating to the business to be conducted at the Meeting accompanies this notice.

Calgary, Alberta
December 23, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Theo Zunich"

Theo Zunich
Director, Interim President and Chief Executive Officer

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TARGET CAPITAL INC.

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE HOLDERS
OF COMMON SHARES OF TARGET CAPITAL INC. TO BE HELD ON JANUARY 31, 2023

Dated: December 23, 2022

PURPOSE OF SOLICITATION

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Target Capital Inc. (the "Company") for use at the annual general and special meeting of the holders (the "Shareholders") of the common shares (the "Common Shares") in the capital of the Company to be held virtually at https://teams.microsoft.com/l/meetup-join/19%3ameeting_MGU1M2Y4ZDgtOTIyMi00NDVhLTgyNDAtMGFkODdkMTNhMjE5%40thread.v2/0?context=%7b%22id%22%3a%22394646df-a118-4f83-a4f4-6a20e463e3a8%22%2c%22oid%22%3a%224b3656b7-cc9b-4639-8926-bfd347b76ef8%22%7d on Tuesday, January 31, 2023 at 10:00 a.m. (Calgary time), and any adjournment or adjournments thereof (the "Meeting") for the purposes set forth in the Notice of Annual General and Special Meeting (the "Notice of Meeting") accompanying this Information Circular.

RECORD DATE

The Shareholders of record on December 23, 2022 (the "Record Date") are entitled to notice of, and to attend and vote at, the Meeting except to the extent that:

1. such person transfers his or her Common Shares after the Record Date; and
2. the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Common Shares and makes a demand to the registrar and transfer agent of the Company, not later than 10 days before the Meeting, that his or her name be included on the shareholders' list for the Meeting.

Any registered Shareholder of the Company at the close of business on the Record Date who completes and delivers a proxy in the manner set out under the heading "*Proxy Information – Completion of Proxies*" will be entitled to have his or her Common Shares voted at the Meeting. **All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described below as in-person voting at the time of the Meeting will not be possible.**

PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies is made on behalf of the management of the Company. The costs incurred in the preparation of the enclosed form of proxy (the "**Form of Proxy**"), Notice of Meeting and this Information Circular and costs incurred in the solicitation of proxies will be borne by the Company. Solicitation of proxies will be primarily by mail but may also be by telephone or by electronic means. The Company is not relying on the notice-and-access provisions of National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer to send proxy related materials to registered Shareholders or beneficial owners of Common Shares in connection with the Meeting.

Completion of Proxies

The Form of Proxy affords registered Shareholders or intermediaries an opportunity to specify that the Common Shares registered in their name shall be voted for or against or withheld from voting in respect of certain matters as specified in the accompanying Notice of Meeting.

The persons named in the enclosed Form of Proxy are the Interim President and Chief Executive Officer and the Interim Chief Financial Officer, respectively, of the Company.

A REGISTERED SHAREHOLDER OR AN INTERMEDIARY HOLDING COMMON SHARES ON BEHALF OF A NON-REGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT ON THEIR BEHALF AT THE MEETING, IN THE PLACE OF THE PERSONS DESIGNATED IN THE FORM OF PROXY FURNISHED BY THE COMPANY. TO EXERCISE THIS RIGHT, THE SHAREHOLDER OR INTERMEDIARY SHOULD STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE FORM OF PROXY AND INSERT THE NAME OF THEIR NOMINEE IN THE BLANK SPACE PROVIDED, OR SUBMIT ANOTHER APPROPRIATE PROXY.

In order to be effective, the Form of Proxy must be deposited with: (i) the Company's transfer agent, Odyssey Trust Company, by mail at Trader's Bank Building, 702 67 Yonge St, Toronto, ON, Attention: Proxy Department or by fax to (800) 517-4553, no later than forty eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment or adjournments thereof; or (ii) the Chair of the Meeting on the day of the Meeting by email at target@5qir.com, prior to the commencement of the Meeting. The instrument appointing a proxy shall be in writing under the hand of the Shareholder or his or her attorney, or if such Shareholder is a Company, under the corporate seal, and executed by a director, officer or attorney thereof duly authorized. Alternatively, Shareholders may complete their proxies online at <https://login.odysseytrust.com/pxlogin>, no later than forty eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment or adjournments thereof.

Appointment and Revocation of Proxies

A registered Shareholder or intermediary who has submitted a Form of Proxy may revoke it by instrument in writing executed by the registered Shareholder or intermediary or his or her attorney authorized in writing, or, if the registered Shareholder is a corporation, under its corporate seal and executed by a director, officer or attorney thereof duly authorized, and deposited with: (i) the Company's transfer agent, Odyssey Trust Company, at Trader's Bank Building, 702 67 Yonge St, Toronto, ON, Attention: Proxy Department, no later than forty eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment or adjournments thereof; or (ii) the Chair of the Meeting on the day of the Meeting by email at target@5qir.com, prior to the commencement of the Meeting, and upon such deposit the previous Form of Proxy is revoked.

Exercise of Discretion by Proxies

A registered Shareholder or intermediary may indicate the manner in which the persons named in the enclosed Form of Proxy are to vote with respect to any matter by checking the appropriate space. On any poll, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the Form of Proxy. If the registered Shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, the space should be left blank. **IN SUCH INSTANCE, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters

which may properly come before the Meeting. At the time of printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter. However, if any other matters which are not now known to management should properly come before the Meeting, the proxies in favour of management nominees will be voted on such matters in accordance with the best judgment of the management nominees.

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many investors who do not own Common Shares in their own name ("**Beneficial Shareholders**"). Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. 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 Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for their clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate individuals.

In accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Meeting, Form of Proxy and this Information Circular (the "**Meeting Materials**") to the intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of securityholders meetings. Every intermediary/broker has its own mailing procedures and provides its 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 that broker) is typically similar to the Form of Proxy provided to registered Shareholders by the Company. However, the purpose of the broker's form of proxy is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The Broadridge voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote such Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting.

Management does not intend to pay for intermediaries to forward proxy solicitation materials to Beneficial Shareholders who have objected to their intermediary/broker disclosing ownership information about them

pursuant to applicable securities laws ("**Objecting Beneficial Shareholders**"). Consequently, an Objecting Beneficial Shareholder will not receive the proxy solicitation materials unless the Objecting Beneficial Shareholder's intermediary/broker assumes the cost of delivery. The Company is not using "**notice and access**" to send its proxy related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The Company will not send proxy related materials directly to non-objecting Beneficial Shareholders as such materials will be delivered to non-objecting Beneficial Shareholders through their intermediaries.

If you have any questions respecting the voting of Common Shares held through an intermediary, please contact that intermediary for assistance.

INFORMATION CONCERNING THE COMPANY

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "**ABCA**") on November 24, 1997.

On December 15, 2017, the Company completed a reorganization and investment transaction pursuant to which, among other things, the Company: (a) closed a non-brokered private placement of \$5.5 million, and (b) appointed a new management team and board of directors of the Company (collectively, the "**Recapitalization**").

On April 16, 2021, the Company announced the appointments of Theo Zurich as Interim President and Chief Executive Officer of the Company and Robert Dion as contract Interim Chief Financial Officer of the Company, along with the appointment of Nick Kuzyk to the board of directors of the Company (the "**Board**"). Under this new interim leadership and refreshed Board, which includes Ron Hozjan and Theo Zurich who were appointed on September 16, 2020, the Company began pursuing a new corporate direction leveraging the Company's existing assets, public listing and business to consummate one or more accretive and strategic transactions that support the new corporate direction.

Between October 9, 2019 and February 23, 2021, the previous management of the Company advanced a total of \$2,283,440 to Performance CBD Brands Corp. ("**Performance CBD**"), which operates as Champions + Legends Corp., a sports supplements brand with products that are formulated and manufactured using hemp-extracted cannabidiol ("**CBD**") as the primary ingredient. All advances were made without the knowledge or consent of any of the current directors and officers of the Company. As at March 31, 2021, the CEO and CFO of the Company were also the CEO and CFO of Performance CBD, respectively. The advances to Performance CBD have been securitized pursuant to a secured loan agreement with Performance CBD. As of September 30, 2022, the Company had collected \$110,000 from Performance CBD.

As announced on December 20, 2022, the Company entered into an agreement providing for the repayment of an additional \$1.85 million under the loan, as follows: (a) \$300,000 cash payment received concurrent with signing the agreement; (b) monetization of assets procured by the Company with an estimated fair market value of in excess of \$1.0 million; (c) additional payments, as required, to reach to an aggregate repayment of \$1.45 million, inclusive of the cash payment and proceeds from the sale of procured assets, on or before June 30, 2023; and (d) \$400,000 of additional secured asset collateral that will mature no later than December 31, 2023. The Company expects to receive cash, after legal and monetization costs, of approximately \$250,000 by year-end 2022 and an additional \$700,000 within the first quarter of 2023. The agreement provides for incremental recovery of up to an additional \$900,000, in excess of the \$1.85 million, related to the sale or refinancing of Performance CBD. The Company cautions that there are no assurances or guarantees that the anticipated recovery pursuant to the agreement will be realized and there is no guarantee that anticipated value will be realized upon the sale of the assets procured by the Company.

The Company is a reporting issuer in British Columbia, Alberta and Ontario. The Common Shares are listed on the NEX board of the TSX Venture Exchange (the "**TSXV**") under the trading symbol "TCI.H".

VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares of the Company ("**Preferred Shares**"). As at the date hereof, there are 106,715,629 fully paid and non-assessable Common Shares issued and outstanding and no Preferred Shares issued and outstanding. The holders of the Common Shares are entitled to receive notice of all meetings of Shareholders and to attend and vote the Common Shares at all such meetings. Each Common Share carries with it the right to one vote.

The bylaws of the Company provide that if two persons holding not less than an aggregate of 5% of the issued Common Shares entitled to vote are present or are represented by proxy, a quorum for the purposes of conducting a shareholders meeting is constituted.

Any registered Shareholder at the close of business on December 23, 2022, being the Record Date, who completes and delivers a Form of Proxy in the manner set out under the heading "*Proxy Information - Completion of Proxies*" will be entitled to vote or have his or her Common Shares voted at the Meeting.

To the best of the knowledge of the directors and executive officers of the Company, as at the date hereof, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to the Common Shares.

MATTERS TO BE ACTED UPON AT THE MEETING

The financial statements of the Company for the fiscal years ended March 21, 2022, March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018, and the respective reports of the auditors thereon, will be placed before the Shareholders at the Meeting. The financial statements are also available on the Company's SEDAR profile at www.sedar.com. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the Board. If any Shareholders have questions respecting such financial statements, the questions may be brought forward at the Meeting.

The Shareholders of the Company will be asked to consider and, if deemed appropriate:

- (a) by ordinary resolution, to fix the Board at three members;
- (b) by ordinary resolution, to elect the directors of the Company;
- (c) by ordinary resolution, to appoint auditors for the ensuing year and to authorize the Board to fix their remuneration;
- (d) by ordinary resolution, to approve a new stock option plan of the Company (the "**Stock Option Plan**") for the ensuing year;
- (e) by special resolution, to authorize and approve the change of the name of the Company to such name as may be determined by the Board, in its sole discretion;
- (f) by special resolution, to authorize the directors, at their discretion, to consolidate the Common Shares on the basis of up to forty (40) pre-consolidation Common Shares for each one (1) post-consolidation Common Share;
- (g) by special resolution, to authorize and approve, subject to approval by the Board, in its discretion, the amalgamation of the Company with Industrial Avenue Development Corp., a partially-owned inactive of the Company; and
- (h) to transact such other business as may properly come before the Meeting or any adjournments thereof.

Additional detail regarding each of the matters to be acted on at the Meeting is contained below.

FIXING NUMBER OF DIRECTORS

At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles of the Company, be set at three (3).

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of setting the number of directors to be elected at the Meeting at three (3).

ELECTION OF DIRECTORS

Action is to be taken at the Meeting with respect to the election of directors. The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors, the nominees whose names are set forth in the table below. Voting for the election of nominees will be conducted on an individual, and not on a slate, basis. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Company's articles.

The Company is required by applicable corporate legislation to have an Audit Committee comprised of members of the Board that are considered "financially literate" and a majority of which are considered "independent", as such terms are defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110"). Please see the discussion under the heading "*Audit Committee*".

The following information relating to the nominees as directors is based partly on the records of the Company and partly on information received by the Company from the respective nominees, and sets forth the name and municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Company now held by them, their principal occupations or employments, the periods during which they have served as directors of the Company and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at the date hereof.

Name, Municipality of Residence	Positions Presently Held	Director Since	Principal Occupation for Previous Five Years	Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised
Theo Zurich <i>Victoria, British Columbia</i>	Director, Interim President & Chief Executive Officer	September 16, 2020	President, Chief Executive Officer and a director of YSS Corp. (now Nova Cannabis Inc.) from March 2019 until March 2021. Prior thereto, Vice President, Corporate Development of YSS Corp. from August 2019 until March 2019. Prior thereto, Principal, Investment Banking at Eight Capital from December 2016 until July 2018.	193,166 (0.18%)
Ron Hozjan ⁽¹⁾ <i>Calgary, Alberta</i>	Director	September 16, 2020	Vice President, Finance and Chief Financial Officer of Aureus Energy Services Inc. since January 2020. Prior thereto, Vice President, Finance and Chief Financial Officer of Tamarack Valley Energy Ltd. from June 2010 until January 2020	Nil (0%)

Name, Municipality of Residence	Positions Presently Held	Director Since	Principal Occupation for Previous Five Years	Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised
Nick Kuzyk ⁽¹⁾ <i>Calgary, Alberta</i>	Director	April 16, 2021	Interim Chief Executive Officer and a Director of Agra Ventures Ltd. since September 2, 2022. Principal Consultant and owner of Meadowbank Strategic Partner Inc. since February 2020. Prior thereto, Chief Strategy Officer and Senior Vice President Capital Market of High Tide Inc. from April 2018 until February 2020. Prior thereto, Manager of Investor Relations of Keyera Corp. from November 2014 until March 2018.	Nil (0%)

Note:

1. Member of the Audit Committee.

Corporate Cease Trade Orders or Bankruptcies

Except as set forth below, to the knowledge of the Company, none of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Company, none of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Company, none of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director or executive officer of any company that, while acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On September 15, 2020, the Alberta Securities Commission ("**ASC**"), as principal regulator, issued a management cease trade order against the Company's former CEO and CFO for failure to file the required period disclosure, being annual filings for the financial year ended March 31, 2020. On November 5, 2020, due to the continued delay in respect of such filings, the ASC issued a cease trade order against Target, replacing the management cease trade order. Messrs. Zurich and Hozjan were appointed to the Board on September 16, 2020 and Mr. Kuzyk was appointed to Board on April 16, 2021 to restore public reporting. On April 18, 2022, the Company filed the outstanding period disclosure and submitted an application to the ASC to revoke the cease trade order. As of the date hereof, the cease trade order remains in effect pending the completion of the ASC's review of the filings.

Personal Bankruptcies

To the knowledge of the Company, none of the above proposed directors have, within 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the knowledge of the Company, none of the above proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or have entered into a settlement agreement with a securities regulatory authority, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the election to the Board of those persons designated above as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion, unless the Shareholder has specified in its proxy that his or her Common Shares are to be withheld from voting on the election of directors.

APPOINTMENT OF AUDITORS

On February 9, 2018, in connection with the Recapitalization, Kenway Mack Slusarchuk Stewart LLP ("**KMSS**") resigned as auditors of the Company. There was no "reportable event" between the Company and KMSS and no qualified opinion or denial of opinion by KMSS within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"). On February 9, 2018, the Board approved the appointment of Pricewaterhouse Coopers LLP ("**PwC**") as successor auditors to fill the vacancy created by KMSS. Additional documents related to the change of auditor, being the change of auditor notice and the acknowledgements of that notice by KMSS and PwC are available on the Company's SEDAR profile at www.sedar.com.

On February 27, 2019, PwC resigned as auditors of the Company. There was no "reportable event" between the Company and PwC and no qualified opinion or denial of opinion by PwC within the meaning of NI 51-102. On February 27, 2019, the Board approved the appointment of MNP LLP, Chartered Professional Accountants ("**MNP**") as successor auditors to fill the vacancy created by PwC. Additional documents related to the change of auditor, being the change of auditor notice and the acknowledgements of that notice by PwC and MNP are available on the Company's SEDAR profile at www.sedar.com.

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint MNP as auditors of the Company, to hold office until the next annual meeting of the Shareholders, at such remuneration to be determined by the Board.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the appointment of MNP as the independent auditors of the Company and to authorize the Board to fix the remuneration to be paid to the auditors.

APPROVAL OF STOCK OPTION PLAN

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the "**Stock Option Plan Resolution**") to adopt and approve the Stock Option Plan, a copy of which is attached hereto as Schedule A, for the ensuing year. A summary of the terms of the Stock Option Plan is included under the heading "*Executive Compensation – Stock Option Plan*" in this Information Circular.

The TSXV requires all listed companies with 10% rolling security-based compensation plans to obtain annual shareholder approval of such plans.

The Board believes that the passing of the Stock Option Plan Resolution is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of the Stock Option Plan Resolution.

At the Meeting, the Shareholders will be asked to approve the following ordinary resolution:

"BE IT RESOLVED THAT:

1. the stock option plan (the "**Stock Option Plan**"), substantially in the form attached as Schedule A to the management information circular of the Company dated December 23, 2022, be and is hereby adopted and approved as the stock option plan of the Company;
2. the form of Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company; and
3. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Stock Option Plan Resolution.

NAME CHANGE

The Company is pursuing a new corporate direction leveraging the Company's existing assets, public listing and business to consummate one or more accretive and strategic transactions that support the new corporate direction. Accordingly, management and the Board believe that a change of the name of the Company may become necessary to better reflect the focus and strategy of the Company.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a resolution authorizing the Board to change the Company's name from "Target Capital Inc." to such name deemed appropriate by the Board (the "**Name Change**"), at its sole discretion, and as may be acceptable to TSXV and pursuant to the requirements of the ABCA.

Although Shareholder approval of the name change is being sought at the Meeting, such name change would become effective at a future date to be determined by the Board when it considers it to be in the best interests of the Company to implement. The proposed name change is also subject to certain regulatory

approvals, including the approval of TSXV. The Board may, in its sole discretion, determine not to implement the name change without further notice to or action on the part of the Shareholders.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to authorize and approve a special resolution to authorize an amendment of the Articles of the Company to change the name of the Company in substantially the form set out below (the **"Name Change Resolution"**) which must be approved by at least two-thirds of the votes cast at the Meeting by Shareholders in person or represented by proxy. The following is the text of the Name Change Resolution which will be put forward to Shareholders for approval at the Meeting:

"NOW THEREFORE BE IT RESOLVED as a special resolution that:

1. the articles of the Company be amended to change the name of the Company (the **"Name Change"**) to such name as the Board determines in its sole discretion and with the effective date of the amendment to be determined by the Board and not to be later than January 31, 2024;
2. any director or officer is hereby authorized, for and on behalf of the Company, to execute and deliver or cause to be delivered Articles of Amendment to the Registrar under the ABCA at such time as the Board determines to implement the Name Change;
3. the Board be and it is hereby authorized to revoke, without further approval of the Shareholders, this special resolution at any time prior to the completion thereof, notwithstanding the approval by the Shareholders of same, if determined, in the Board's sole discretion to be in the best interest of the Company; and
4. any director or officer of the Company is authorized to do all acts and things, to execute and deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director or officer determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Name Change resolution.

SHARE CONSOLIDATION

At the Meeting, Shareholders will be asked to approve a special resolution authorizing the directors, at their discretion, to consolidate the Common Shares into a lesser number of issued Common Shares. The special resolution will authorize the Board to consolidate the Common Shares on the basis of a ratio of up to forty (40) pre-consolidation Common Shares for each one (1) post-consolidation Common Share (the **"Consolidation"**).

If approved and implemented, the Consolidation will occur simultaneously for all of the Company's issued and outstanding Common Shares and the consolidation ratio will be same for all such Common Shares. The Consolidation will affect all holders of Common Shares uniformly and will not affect any Shareholder's percentage ownership interest in the Company, except to the extent that the Consolidation would otherwise result in a Shareholder owning a fractional Common Share. No fractional post-Consolidation Common Shares will be issued and no cash will be paid in lieu of fractional post-Consolidation Common Shares. Any fractional Common Shares resulting from the Consolidation will be rounded to the nearest whole Common Share with fractions greater than or equal to 0.5 being rounded up to the nearest whole Common Share.

The Company currently has an unlimited number of Common Shares available for issuance and the Consolidation will not have any effect on the number of Common Shares that remain available for future

issuance. The exercise or conversion price and the number of Common Shares issuable under any convertible securities of the Company will be proportionately adjusted upon the completion of the Consolidation.

The Consolidation is subject to: (a) receipt of all required regulatory approvals; and (b) the approval of the Consolidation by the Shareholders at the Meeting. If these approvals are received, the Consolidation will occur at a time determined by the Board and announced by a press release of the Company. Notwithstanding approvals being received, the Board may determine not to proceed with the Consolidation, at its discretion.

Pursuant to section 173(1)(f) of the ABCA, the Consolidation must be approved by a special resolution of Shareholders. Accordingly, to be adopted, the special resolution must be approved by at least two-thirds of the votes cast at the Meeting by Shareholders in person or represented by proxy. At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass the following special resolution:

"NOW THEREFORE BE IT RESOLVED as a special resolution that:

1. the Company is authorized to file articles of amendment pursuant to section 173(1)(f) of the *Business Corporations Act* (Alberta) (the "**ABCA**") to change the number of issued and outstanding common shares ("**Common Shares**") in the capital of the Company by consolidating the issued and outstanding Common Shares on the basis of a ratio of up to forty (40) pre-consolidation Common Shares for each one (1) post-consolidation Common Share (the "Consolidation") or for such other lesser whole or fractional number of existing Common Shares that the directors, in their sole discretion, determine to be appropriate, and in the event that the Consolidation would otherwise result in a holder of Common Shares holding a fraction of a Common Share, any fractional interest in Common Shares that is less than 0.5 of a Common Share resulting from the Consolidation will be rounded down to the nearest whole Common Share and any fractional interest in Common Shares that is 0.5 or greater of a Common Share will be rounded up to the nearest whole Common Share, such amendment to become effective at a date in the future to be determined by the Board when the Board considers it to be in the best interests of the Company to implement such a Consolidation, but in any event not later than the business day immediately prior to the Company's next annual general meeting, subject to approval of the TSX Venture Exchange;
2. any director or officer of the Company is authorized and directed for and in the name of and on behalf of the Company to execute and deliver or cause to be delivered articles of amendment to the Registrar under the ABCA and to execute and deliver or cause to be delivered all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution;
3. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares, the directors of the Company may in their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the Common Shares; and
4. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such

determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Consolidation.

POTENTIAL AMALGAMATION

At the Meeting, Shareholders will be asked to consider a special resolution (the "**Amalgamation Resolution**") approving an amalgamation (the "**Amalgamation**") of the Company with Industrial Avenue Development Corp. ("**IADC**"), a partially-owned inactive subsidiary of the Company. As of the date hereof, the Company owns 96.0% of the issued and outstanding class "A" common shares of IADC.

The Board wishes to obtain approval for the Amalgamation in order to provide the Company with flexibility with respect to the structuring of the Company. If the Amalgamation Resolution is approved by Shareholders and the shareholders of IADC, the Amalgamation would only be implemented, if at all, upon a determination by the Board that it is in the best interests of the Company and its Shareholders at that time. If approved and implemented, the constating documents, management team, board of directors and share capital of the amalgamated company would be the same as those of the Company.

To be adopted, the Amalgamation Resolution must be approved by at least two-thirds of the votes cast at the Meeting by Shareholders in person or represented by proxy. The text of the Amalgamation Resolution to be considered at the Meeting will be as follows:

"NOW THEREFORE BE IT RESOLVED as a special resolution that:

1. the amalgamation (the "**Amalgamation**") under the *Business Corporations Act* (Alberta) (the "**ABCA**") of Industrial Avenue Development Corp. and the Company is hereby authorized and approved, subject to authorization by the board of directors of the Company in its sole and absolute discretion;
2. the execution and delivery by the Company of a definitive amalgamation agreement in respect of the Amalgamation, if applicable, in a form satisfactory to the board of directors of the Company, is hereby authorized and approved, subject to authorization by the board of directors of the Company in its sole and absolute discretion;
3. any director or officer of the Company is authorized and directed for and in the name of and on behalf of the Company to execute and deliver or cause to be delivered articles of amalgamation to the Registrar under the ABCA and to execute and deliver or cause to be delivered all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution;
4. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares, the directors of the Company may in their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the Common Shares; and
5. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may

be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

The Amalgamation, if completed, will not affect the validity of currently outstanding share certificates of the Company or the trading of the Common Shares.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Amalgamation Resolution.

Right to Dissent

The following description of the rights of registered Shareholders to dissent to the Amalgamation Resolution and to be paid the fair value of the Common Shares in respect of which such Shareholder dissents (collectively, "**Dissent Rights**" and a Shareholder exercising such Dissent Rights being a "**Dissenting Shareholder**") is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such holder's Common Shares and is qualified in its entirety by the reference to the text of section 191 of the ABCA, which is attached to this Information Circular as Schedule D. A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Section 191 of the ABCA. Failure to comply with the provisions of that section and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Under section 191 of the ABCA, a registered Shareholder is entitled, in addition to any other rights the holder may have, to dissent and to be paid the fair value of the Common Shares held by the holder in respect of which the holder dissents, determined as of the close of business on the last business day before the day on which the Amalgamation Resolution is approved by the Shareholders. **Only registered Shareholders may dissent. Persons who are Beneficial Shareholders who hold Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that they may only do so through the registered owner of such Common Shares. Accordingly, a Beneficial Shareholder desiring to exercise Dissent Rights must make arrangements for the Common Shares beneficially owned by such Beneficial Shareholder to be registered in the name of such Beneficial Shareholder prior to the time the written objection to the Amalgamation Resolution is required to be received by the Company or, alternatively, make arrangements for the registered holder of such Common Shares to dissent on behalf of the Beneficial Shareholder.**

A Dissenting Shareholder must send to the Company a written objection to the Amalgamation Resolution, which written objection must be received by the Company, c/o Stikeman Elliott LLP, Suite 4300, 888 – 3rd Street S.W., Calgary, Alberta T2P 5C5, Attention: Sony Gill (sgill@stikeman.com), not less than 48 hours (exclusive of non-business days) before the time for the holding of the Meeting or any adjournment(s) thereof. No Shareholder who has voted in favour of the Amalgamation Resolution shall be entitled to exercise Dissent Rights. A registered holder of Common Shares may not exercise Dissent Rights in respect of only a portion of such holder's Common Shares, but may exercise Dissent Rights only with respect to all of the Common Shares held by the holder.

An application may be made to the Court of King's Bench of Alberta (the "**Court**") by the Company or by a Dissenting Shareholder after adoption of the Amalgamation Resolution and provided the Amalgamation is completed to fix the fair value of the Dissenting Shareholder's Common Shares. If such an application to the Court is made by either the Company or a Dissenting Shareholder, the Company must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay such person an amount considered by the Board of Directors to be the fair value of the Common Shares held by such Dissenting Shareholders. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if the Company is the applicant, or within 10 days after the Company is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with the Company for the purchase of such Dissenting Shareholder's Common Shares in the amount of the Company's offer (or otherwise) at any time before the Court pronounces an order fixing the fair value of the Common Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will make an order fixing the fair value of the Common Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against the Company and in favour of each of those Dissenting Shareholders, and fixing the time within which the Company must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder until the date of payment.

On the closing date of the Amalgamation (the "**Completion Date**"), or upon the making of an agreement between the Company and the Dissenting Shareholder as to the payment to be made by the Company to the Dissenting Shareholder, or the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a Shareholder other than the right to be paid the fair value of such Dissenting Shareholder's Common Shares in the amount agreed to between the Company and the Dissenting Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Dissenting Shareholder may withdraw his or her dissent, or if the Completion Date has not yet occurred, the Company may rescind the Amalgamation Resolution, and, in either event, the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

The Company shall not make a payment to a Dissenting Shareholder under section 191 if there are reasonable grounds for believing that the Company is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of the Company would thereby be less than the aggregate of its liabilities. In such event, the Company shall notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholders for their Common Shares in which case the Dissenting Shareholder may, by written notice to the Company within 30 days after receipt of such notice, withdraw its written objection, in which case such Dissenting Shareholder shall be reinstated to the Shareholder's full rights as a Shareholder. If the Dissenting Shareholder does not withdraw its written objection such Dissenting Shareholder retains status as a claimant against the Company to be paid as soon as the Company is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to creditors but prior to its Shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Common Shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, each Dissenting Shareholder who is considering Dissent Rights and appraisal should carefully consider and comply with the provisions of that section, the full text of which is set out in Schedule D to this Information Circular, and consult their own legal advisor.**

OTHER MATTERS COMING BEFORE THE MEETING

The Board knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

EXECUTIVE COMPENSATION

General

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

The following information relates to the Company's financial years ended March 31, 2022, March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018.

For the purpose of this statement of executive compensation, a "CEO" or "CFO" means each individual who served as Chief Executive Officer or Chief Financial Officer, respectively, of the Company or acted in a similar capacity during the most recently completed financial year. A "Named Executive Officer" or "NEO" means (a) each CEO, (b) each CFO, (c) the Company's most highly compensated officer, other than the CEO and CFO, who was serving as an officer at the end of the most recently completed financial year and whose total compensation was more than \$150,000, and (d) any additional individuals who would be a Named Executive Officer under subsection (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the financial year.

Based on the foregoing definitions, the Company's Named Executive Officers in respect of the year ended March 31, 2022 were: (i) Theo Zurich, Interim President and Chief Executive Officer; (ii) Robert Dion, Interim Chief Financial Officer; (iii) Shahin Mottahed, former President and Chief Executive Officer; and (iv) Colin Wagner, former Chief Financial Officer. Messrs. Zurich and Dion were appointed to those roles on April 16, 2021, concurrent with the resignations of Messrs. Mottahed and Wagner.

The Company's Named Executive Officers in respect of the years ended March 31, 2021 and 2020 were: (i) Shahin Mottahed, former President and Chief Executive Officer; and (ii) Colin Wagner, former Chief Financial Officer. Messrs. Mottahed and Wagner resigned from their positions on April 16, 2021.

The Company's Named Executive Officers in respect of the year ended March 31, 2019 were: (i) Shahin Mottahed, former President and Chief Executive Officer; and (ii) David Cheadle, former Chief Financial Officer. On August 1, 2019, Mr. Cheadle resigned from his position with the Company and Colin Wagner was appointed as Chief Financial Officer.

The Company's Name Executive Officers in respect of the year ended March 31, 2018 were: (i) Shahin Mottahed, former President and Chief Executive Officer; (ii) David Cheadle, former Chief Financial Officer; (iii) Rick Skauge, former Chief Executive Officer; and (iv) Royce Lee, former Chief Financial Officer. Mr. Skauge and Mr. Lee resigned from their respective positions with the Company in connection with the Recapitalization.

Summary of Named Executive Officers' Compensation Program

Pre-Recapitalization

Prior to the completion of the Recapitalization, the compensation program that Mr. Skauge and Mr. Lee were eligible to participate in consisted of two components: (i) base salary or contractual compensation in the form of cash; and (ii) annual incentive compensation in the form of cash.

The overall objective of the base salary and contractual compensation paid to Mr. Skauge and Mr. Lee was to provide fixed compensation that reflected their respective roles, skills, experiences and contributions to the Company. Annual adjustments to Mr. Skauge's and Mr. Lee's compensation were not provided for. Commencing September 2015, Mr. Skauge voluntarily reduced his compensation to zero.

The objective of the annual incentive plan was to motivate and reward the Company's employees to achieve annual business objectives. The annual incentive compensation was based on a fixed percentage of the

Company's annual net earnings calculated before taxes. The percentage was fixed in the Company's employment agreement with each of Mr. Skauge and Mr. Lee.

Post-Recapitalization

Elements of Compensation

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for NEOs. When determining NEO compensation, the Board uses all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Company, responsibilities of the particular NEO and retention of the NEOs, who are considered by the Board to be essential to the success of the Company. Since the completion of the Recapitalization, in reviewing comparative data during the two most recently completed financial years, the Board did not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and did not compare its compensation to a specific peer group of companies. The Board reviews the various elements of the NEOs' compensation in the context of the total compensation package, including salary, incentive bonuses and awards of Options, and recommends the NEOs' compensation packages.

The executive compensation program consists of three components: (a) base compensation in the form of salary; (b) incentive bonuses in the form of cash payments; and (c) subject to Shareholder approval, long-term compensation in the form of Options. For the Named Executive Officers, the Option component is an essential part of their compensation. Neither the Board nor a committee thereof considered the implications of the risks associated with the Company's compensation policies and practices. In addition, no NEO or director of the Company is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation, or held, directly or indirectly, by a Named Executive Officer or director of the Company.

Base Compensation

Base compensation for executive officers of the Company is set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is to be given to such factors as level of responsibility, experience and expertise in addition to the policies of the TSXV. Subjective factors such as leadership, commitment and attitude are also to be considered. At this time, the Company does not tie base compensation to any milestones or peer groups.

Incentive Bonuses

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performance for executive officers. The Company does not have a formal bonus plan but may award discretionary bonuses that are recommended by the Board.

Options

Subject to Shareholders adopting and approving the Stock Option Plan at the Meeting, to provide a long-term component to the executive compensation program, executive officers of the Company will be eligible to receive Options. The maximization of shareholder value is encouraged by granting Options since such grants provide an incentive to eligible persons to further the development, growth and profitability of the Company. Consideration will be given to granting Options amongst the various organizational levels of management, including directors, officers and certain consultants. The CEO will make recommendations to the Board for the CFO and other key employees. These recommendations are to take into account factors such as awards made in previous years, the number of Options outstanding per individual and the level of responsibility. The Board, as a whole, will determine the Options to be issued to the CEO. A summary of the terms of the proposed Stock Option Plan is included under the heading "*Stock Option Plan*" below.

Compensation Governance

The Company's compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its Shareholders and to attract and retain qualified personnel. In each case, the Company seeks an appropriate balance of risk and reward. On January 19, 2018, the Board adopted the following practices that are designed to avoid inappropriate or excessive risks:

- **Ownership Guidelines.** The Company has implemented share ownership guidelines (the "**Ownership Guidelines**") for executive officers and non-executive directors of the Company to further align their interests with the long-term interests of Shareholders. The Ownership Guidelines require that, within three years of joining the Company, each executive officer or non-executive director has a minimum holding of Common Shares or Common Share equivalents that have an aggregate value of at least: (i) three times the annual base salary for the CEO; (ii) two times the annual base salary for each other officer of the Company; and (iii) three times the amount of the annual Board retainer for each non-executive director.
- **Anti-Hedging Policy.** The Company has adopted a written anti-hedging policy (the "**Anti-Hedging Policy**") that prohibits a NEO or director, among others, from purchasing financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Company.

The Anti-Hedging Policy has been implemented to ensure that directors, executive officers and employees of the Company are prohibited from hedging or monetizing transactions in order to lock in the value of their securities of the Company. Examples would include the entry into prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds that have the effect of offsetting a decrease in the market value of securities held in the Company.

In addition, pursuant to the Anti-Hedging Policy governing insider trading, short term speculative trading of the Common Shares by officers, directors and employees is strongly discouraged as it conflicts with the best interests of the Company and its Shareholders. Consequently, insiders including the Company's NEOs, directors and their related persons, are not only discouraged from frequently trading the Common Shares, but are also specifically prohibited from short selling any Common Shares and from trading in any derivative instruments involving the Company's securities.

- **Clawback Policy.** The Company has implemented a written clawback policy (the "**Clawback Policy**") for situations where a director, executive officer or other employee receives additional incentive compensation as a result of his or her own misconduct (the "**Overpayment Amounts**"). In such situations, the director, executive officer or other employee shall be obligated to reimburse the Company for such Overpayment Amounts and the Board shall be given the discretion to determine the steps required to effect such recovery.

Compensation Table for Named Executive Officers

The following table and notes thereto provide a summary of the compensation paid or payable to the NEOs of the Company for the four most recently completed financial years ended March 31, 2022, March 31, 2021, 2020, 2019 and 2018:

Name and Principal Position(s)	Financial Year	Salary (\$)	Non-Equity Incentive Plan Compensation				All Other Compensation (\$)	Total Compensation (\$)
			Share and Option-based Awards (\$)	Annual Incentive Plans	Long-Term Incentive Plans	Pension Value (\$)		
Theo Zunich <i>Interim President & CEO</i>	2022	115,000 ⁽¹⁾	-	-	-	-	-	115,000
	2021	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-
Robert Dion <i>Interim CFO</i>	2022	69,800 ⁽²⁾	-	-	-	-	-	69,800
	2021	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-
Shahin Mottahed, <i>Former President & CEO</i> ⁽³⁾	2022	-	-	-	-	-	-	-
	2021	50,000	-	-	-	-	-	50,000
	2020	100,000	-	-	-	-	-	100,000
	2019	104,167	-	-	-	-	-	104,167
	2018	25,000	-	-	-	-	200,000 ⁽³⁾	225,000
Colin Wagner, <i>Former CFO</i> ⁽⁴⁾	2022	-	-	-	-	-	-	-
	2021	30,000	-	-	-	-	-	30,000
	2020	25,000	-	-	-	-	-	25,000
	2019	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-
David Cheadle, <i>Former CFO</i> ⁽⁴⁾	2022	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
	2020	35,000	-	-	-	-	-	35,000
	2019	105,000	-	-	-	-	-	105,000
	2018	25,000	-	-	-	-	-	25,000
Royce Lee, <i>Former CFO</i> ⁽⁵⁾	2022	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-
	2018	-	-	-	-	-	15,000 ⁽⁴⁾	15,000

Notes:

1. The Company agreed to pay Mr. Zurich a monthly salary of \$10,000 commencing on his appointment as interim President and CEO on April 16, 2021. As of the date hereof, the full amount remains payable but unpaid.
2. Of such amount, \$25,000, representing a monthly salary of \$5,000 commencing November 1, 2021, remains payable but unpaid as of the date hereof. The Company originally retained the services of Mr. Dion through Amplify Advisors from April 16, 2021 through October 30, 2021. The amount provided in this table includes the aggregate compensation paid to Mr. Dion directly and indirectly through Amplify Advisors in connection with his role as Chief Financial Officer of the Company.
3. In connection with the completion of the Recapitalization, Mr. Mottahed was appointed as President and CEO on December 15, 2017. Mr. Mottahed did not receive any additional compensation for his role as a director of the Company. Mr. Mottahed received a one-time payment of \$200,000 for services rendered in connection with the completion of the Recapitalization.
4. In connection with the completion of the Recapitalization, Mr. Cheadle was appointed as CFO on December 15, 2017. On August 1, 2019 Colin Wagner replaced Mr. Cheadle as CFO. On April 16, 2021, Robert Dion replaced Mr. Wagner as interim CFO.
5. In connection with the completion of the Recapitalization, Mr. Lee resigned as CFO on December 15, 2017, and \$15,000 was paid in connection with Mr. Lee's resignation as CFO.

Incentive Plan Awards*Outstanding Share-based Awards and Option-based Awards*

The Company issued a total of 5,500,000 Options to officers and directors of the Company on November 27, 2019, all of which Options have since expired.

Except as described above, there were no share-based awards or option-based awards granted to NEOs for the fiscal years ended March 31, 2022, March 31, 2021, March 31, 2020, March 31, 2019 or March 31, 2018 and no share-based awards or option-based awards outstanding as at March 31, 2021, March 31, 2020, March 31, 2019 or March 31, 2018.

Incentive Plan Awards – Value Vested or Earned During the Year

Except as described above, the Company did not have any option-based awards or share-based awards outstanding at any point during the fiscal years ended March 31, 2022, March 31, 2021, March 31, 2020, March 31, 2019 or March 31, 2018.

Pension Plan Benefits

The Company does not have a pension plan or provide any benefits following or in connection with retirement. In addition, the Company does not have a deferred compensation plan.

Employment, Consulting and Management Agreements

Prior to the completion of the Recapitalization, the Company had employment agreements with Rick Skauge, former CEO and Royce Lee, former CFO. Neither of the employment agreements with the Mr. Skauge and Mr. Lee provided for the payments of amounts in the event of termination or a change in control of the Company.

There are no contracts, agreements, plans or arrangements whereby any NEO or director is entitled to receive payments from the Company in the event of the resignation, retirement or other termination of the NEO's or director's services with the Company, change of control of the Company or a change in the NEO's responsibilities.

Summary of Directors' Compensation*Pre-Recapitalization*

Prior to the completion of the Recapitalization, the Company implemented a director compensation policy whereby each director of the Company, other than directors who were also NEOs or employees of the Company, were compensated on a quarterly basis in the amount of: (i) \$500 per month; or (ii) 1% of the Company's net annual earnings before tax, whichever was greater. In addition, directors of the Company

were compensated \$150 hourly for committee work and were entitled to be reimbursed for all out-of-pocket expenses.

Post-Recapitalization

The directors of the Company are entitled to receive compensation for services in their capacity as directors. Members of the Board are entitled to be reimbursed for all reasonable expenses incurred to attend meetings. In addition, the Stock Option Plan allows for the grant of options to directors.

For further information on compensation paid to the non-employee directors of the Company, see "Director Compensation Table" below. For a description of the compensation paid to Shahin Mottahed, former Chairman and the President and Chief Executive Officer, see "Summary Compensation Table" above.

Compensation Table for Directors

The following table sets forth all amounts of compensation for each director of the Company, including former directors, other than directors who were also NEOs, for financial years ended March 31, 2022, March 31, 2021, 2020, 2019 and 2018:

<u>Name⁽¹⁾</u>	<u>Financial Year</u>	<u>Fees Earned (\$)</u>	<u>Share and Option-Based Awards (\$)</u>	<u>Non-Equity Incentive Plan Compensation (\$)</u>	<u>Pension Value (\$)</u>	<u>All Other Compensation (\$)</u>	<u>Total (\$)</u>
Anne Louise Bartlett, <i>Former Director</i>	2018	4,793	-	-	-	-	4,793
Gerardus Janssen, <i>Former Director</i>	2018	8,875	-	-	-	-	8,875
Brian Newman, <i>Former Director</i>	2018	7,300	-	-	-	-	7,300
Greg Walter, <i>Former Director</i>	2018	6,500	-	-	-	-	6,500

Note:

- In connection with the completion of the Recapitalization on December 15, 2017, Ms. Bartlett and Messrs. Skauge, Janssen, Newman and Walter resigned as directors of the Company, and Messrs. Shahin Mottahed, William C. Macdonald, Gregory G. Turnbull, Chad Oakes and Matteo Volpi were appointed as directors of the Company. Mr. Macdonald resigned as a director of the Company on July 26, 2019. Messrs. Turnbull and Oakes resigned as directors of the Company on September 16, 2020. Messrs. Hozjan and Kuzyk were appointed as directors of the Company on September 16, 2020 and April 16, 2021 respectively. On April 16, 2021, Mr. Volpi was deemed to have vacated his position and Mr. Mottahed resigned as a director of the Company. Messrs. Kuzyk, Hozjan, Turnbull, Oakes, Volpi and Macdonald did not receive any compensation for their roles as directors.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The Company issued a total of 5,500,000 Options to officers and directors of the Company on November 27, 2019, all of which Options have since expired.

Except as described above, there were no share-based awards or option-based awards granted to directors of the Company for the fiscal year ended March 31, 2022, March 31, 2021, March 31, 2020, March 31, 2019 or March 31, 2018.

Stock Option Plan

Pursuant to the policies of the TSXV, the Company is permitted to have "rolling" equity-based compensation arrangements. At the Meeting, Shareholders will be asked to vote on the Stock Option Plan Resolution.

The Company issued a total of 5,500,000 Options to officers and directors of the Company on November 27, 2019, which Options have since expired.

Description of the Stock Option Plan

The purposes of the Stock Option Plan are: (a) to provide directors, officers, employees and consultants of the Company an incentive to achieve the longer term objectives of the Company; (b) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and (c) to attract and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Company.

Eligibility

The Stock Option Plan provides for the granting of Options to purchase Common Shares to directors, officers, employees and consultants of the Company or any of its subsidiaries.

Administration

The Stock Option Plan is administered by the Board and the Board may, subject to applicable law, delegate its powers to administer the Stock Option Plan to a committee of the Board. Options may be granted at the discretion of the Board, in such number that may be determined at the time of grant, subject to the limits set out in the Stock Option Plan. Previous grants will be taken into account when considering new grants.

Exercise Price

The exercise price of Options granted under the Stock Option Plan will be fixed by the Board at the time of grant, provided that the exercise price shall be not less than the discounted market price of the Common Shares in accordance with the policies of the TSXV.

In addition, the Board has the right, in its sole and absolute discretion subject to any required approval of any regulatory authority or the TSXV, to declare that the holders of Options (other than those Option holders engaged in investor relations activities, as defined in the policies of the TSXV) shall be entitled to exercise options, in the manner set out in the Stock Option Plan, on a "net" basis at any time prior to the expiry time of such Options.

Maximum Percentage of Common Shares Reserved

The aggregate number of Common Shares that may be issued pursuant to the exercise of Options awarded under the Stock Option Plan and all other security-based compensation arrangements of the Company is 10% of the Common Shares outstanding from time to time (on a non-diluted basis), subject to the following limitations:

- (a) the aggregate number of Common Shares reserved for issuance to any one person under the Stock Option Plan, within a 12-month period, must not exceed 5% of the issued and outstanding Common Shares (on a non-diluted basis);
- (b) the aggregate number of Common Shares reserved for issuance to any single consultant under the Stock Option Plan within a 12-month period, shall not exceed 2% of the issued and outstanding Common Shares; and

- (c) the aggregate number of Common Shares reserved for issuance to any one participant employed to provide investor relations activities (as defined in the Stock Option Plan) within a 12-month period, must not exceed 2% of the issued and outstanding Common Shares.

Transferability

The Options are not assignable or transferable by a participant, except for a limited right of assignment in the event of the death of the participant.

Term and Vesting

The term of the Options granted shall be determined by the Board in its discretion, to a maximum of five years from the date of the grant of the stock option. The vesting period or periods within this period during which a stock option or a portion thereof may be exercised shall be determined by the Board. Further, the Board may, in its sole discretion at any time or in the agreement in respect of any Options granted, accelerate, or provide for the acceleration of, vesting of Options previously granted.

Early Expiration

Unless otherwise provided in an agreement evidencing the grant of Options, Options shall terminate at the earlier of: (a) 30 days after the participant ceasing (other than by reason of death) to be at least one of an officer, director, employee or consultant of the Company or a subsidiary of the Company, as the case may be; and (b) the expiry date of the stock option. If before the expiry of a stock option in accordance with the terms thereof a participant ceases to be an employee, officer, director or consultant by reason of the death of the participant, any unvested portion of such stock option shall vest within one year following the earlier of the death of the participant and the expiry date of the stock option. In addition, such stock option may, subject to the terms thereof and any other terms of the Stock Option Plan, be exercised by the legal personal representative(s) of the participant's estate.

Takeover or Change of Control

In the event of any disposition of all or substantially all of the assets of the Company, or the dissolution, merger, amalgamation or consolidation of the Company with or into any other Company or of such Company into the Company, or any change in control of the Company occurring, the Company will have the power to make such arrangements as it shall deem appropriate for the exercise of outstanding options or continuance of outstanding options, including, without limitation, to amend any option agreement to permit the exercise of any or all of the remaining options prior to the completion of any such transaction.

Voluntary Black Out Periods

The Company has adopted a policy on trading in the securities of the Company which results in the imposition of self-imposed black out periods from time to time, preventing officers, directors, employees and consultants from exercising Options. For example, these black out periods would be imposed prior to the release of financial statements and when the Company is considering various possible transactions or is completing material operations that could, if consummated or successfully completed, have a significant effect on the trading price or value of the Company's securities. This policy will be adopted as part of Company's approach to responsible governance. However, the imposition of voluntary black out periods can penalize the Company, and its insiders and employees where their Options have not been exercised prior to the voluntary black out period and such Options would expire during such period.

Pursuant to the Stock Option Plan, the expiration of the term of any Options that would fall during any black out period or within 10 days following the termination of any black out period will be extended for a period of 10 business days following the expiry of such black out period, such that all participants will always have a maximum of 10 business days following a voluntary black out period to exercise Options. This provision applies to all participants.

EQUITY COMPENSATION PLAN INFORMATION

The Company was not authorized to issue equity securities under any compensation plan as at March 31, 2022, 2021, 2020, 2019 or 2018.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or executive officer of the Company, nor any of their associates or affiliates, nor any employee of the Company is or has been indebted to the Company since the beginning of the Company's fiscal year ended March 31, 2018, nor is, or at any time since the beginning of the Company's fiscal year ended March 31, 2018, has any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors, executive officers of the Company or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliate of such persons, in any transaction since the commencement of the Company's financial year ended March 31, 2018.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Information Circular under the heading "*Information Concerning the Company*", management of the Company is not aware of any material interest of any director or nominee for director or executive officer or anyone who has held office as such since the beginning of the Company's financial year ended March 31, 2018 or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

CORPORATE GOVERNANCE PRACTICES

In accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices and National Policy 58-201 – Corporate Governance Guidelines ("NP 58 201")*, issuers are to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Company is also subject to NI 52-110, which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board is responsible for the governance of the Company. The Board and the Company's management consider good corporate governance to be central to the effective and efficient operation of the Company. Below is a discussion of the Company's approach to corporate governance.

Independence of Members of Board

The Board currently consists of three directors, two of whom are independent based upon the tests for independence set forth in NI 52-110. Messrs. Hozjan and Kuzyk are independent. Mr. Zunich is not independent by virtue of serving as interim President and Chief Executive Officer.

Board Oversight

The Board exercises its independent supervision over the Company's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision

making and evaluation that is independent of management and interested directors, the meeting breaks into an in camera session among the independent and disinterested directors.

Directorships in Other Reporting Issuers

The following table sets out the directors of the Company that are presently a director of other reporting issuers.

<u>Name of Director</u>	<u>Name of Reporting Issuer</u>	<u>Exchange</u>
Ron Hozjan	Nova Cannabis Inc.	TSX
	Carbeeza Inc.	TSXV
	Tenth Avenue Petroleum Corp.	TSXV
Nick Kuzyk	Agra Ventures Ltd.	CSE

Board Mandate

The Board has adopted a written mandate, attached hereto as Schedule B, that summarizes, among other things, the Board's duties and responsibilities. The Board is responsible for the overall stewardship of the Company and dealing with issues which are pivotal to determining the Company's strategy and direction. The Board has directly, and through the appointment of certain committees, put in place an effective system for monitoring the implementation of corporate strategies. The Board is not involved in the day to day operations of the Company, as these operations are conducted by the Company's management. The Board meets regularly to consider and approve the strategic objectives of the Company and management plans designed to accomplish those objectives. Where appropriate, key management personnel and professional advisors are invited to attend Board meetings to speak to these issues. The Board also meets as necessary to consider specific developments and opportunities as they arise, including asset acquisitions and dispositions and financing proposals. The Board approves, among other things, all issuances of securities of the Company, the appointment of officers, the entering into of lines of credit or other significant borrowing activities and all significant transactions. The Board considers, but has no formal policies, concerning management development and succession and risk management.

Essential to strategic planning is assessing and understanding business risks and related control systems. The Board helps set limits with respect to business risks, to the extent they can be managed, and approves strategies for minimizing risks. Implementations of these strategies are then monitored by the Board. The Board, through the Audit Committee, requires management of the Company to put into place systems to address financial risks and to periodically report to the Board on these systems and risks.

Management has implemented procedures to provide reasonable assurance of effective communication with the Company's shareholders and the public. The Company's management is responsible for the issuance of press releases and communications with the financial community. The Board reviews and approves all principal continuous disclosure documents, the release of interim and annual financial statements, annual information forms, prospectuses and information circulars.

Position Descriptions

The Board has developed a written position description for the Chairman of the Board, the Chairman of each committee and the Chief Executive Officer of the Company.

The Chairman of each committee of the Board schedules meetings of the committee and organizes and presents agendas for such meetings.

The Board, in conjunction with management, sets the Company's annual objectives which become the objectives against which the Chief Executive Officer's performance is measured. The Board has plenary

power; any responsibility which is not delegated to management or a Board committee remains with the Board.

Orientation and Continuing Education

While the Company does not have a formal orientation and training program, new members of the Board are provided with:

- (a) a copy of the policies and mandates of the Board and its committees and copies of the Company's corporate governance policies, which provides information respecting the functioning of the Board;
- (b) access to recent, publicly filed documents of the Company;
- (c) access to management; and
- (d) access to legal counsel in the event of any questions relating to the Company's compliance and other obligations.

Members of the Board are encouraged to communicate with management, legal counsel and, where applicable, auditors and technical consultants of the Company; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation, including NP 58 201, and the guidelines of the TSXV for effective corporate governance. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.

Additionally, in order to encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Business Conduct and Ethics (the "**Code**") wherein directors, officers and employees of the Company and others are provided with a mechanism by which they can raise complaints regarding financial and regulatory reporting, internal accounting controls, auditing or health, safety and environmental matters or any other matters and raise concerns about any violations of the Code in a confidential and, if deemed necessary, anonymous process. The Code is available on the Company's SEDAR profile at www.sedar.com.

The Board has instructed its management and employees to abide by the Code. Compliance with the Code is monitored primarily through the reporting process within the Company's organizational structure.

It is a requirement of applicable corporate law that directors who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect to same if the interest is material. The Code imposes a similar disclosure requirement on all non-director representatives of the Company and requires such persons to report such conflict to the executive officer to whom that person reports in the course of his employment responsibilities, or, in the case of a senior executive officer, to the Audit Committee and fully inform such person or the committee, as applicable, of the facts and circumstances related to the conflict or potential conflict. The representative is prohibited from taking any further action in respect of the matter or transaction giving rise to such conflict or potential conflict unless and until he is authorized to do so by his reporting officer or the Audit Committee.

Audit Committee

Please see the discussion under the heading "*Audit Committee*" below.

Assessments

The Board is responsible to assess, on an ongoing basis, its overall performance and that of its committees. The objective of this review is to contribute to a process of continuous improvement in the Board's execution of its responsibilities. The review will identify any areas where the directors of the Company or management believe that the Board could make a better collective contribution to overseeing the affairs of the Company. The Board is also responsible for regularly assessing the effectiveness and contribution of each director, having regard to the competencies and skills each director is expected to bring to the Board. The Board relies on informal evaluations of the effectiveness through both formal and informal communications with Board members and through participation with other Board members on committees and matters relating to the Board.

AUDIT COMMITTEE

The Audit Committee is a committee of the Board to which the Board delegates its responsibility for oversight of the financial reporting process. The Audit Committee is also responsible for managing, on behalf of the Shareholders, the relationship between the Company and the external auditor. Pursuant to NI 52-110, the Company is required to disclose certain information with respect to its Audit Committee, as summarized below.

Audit Committee Charter

On January 19, 2018, the Board adopted a new Audit Committee charter (the "**Audit Committee Charter**"), attached hereto as Schedule C. The mandate of the Audit Committee is to oversee and provide assistance in financial reporting, financial policies and internal controls as well as to work with the external auditors to ensure the accuracy of the Company's financial disclosures. The Audit Committee must pre-approve all non-audit services to be provided by an external auditor.

Composition of the Audit Committee

As of the date hereof, the Audit Committee is comprised of:

<u>Name of Director</u>	<u>Independent (Yes/No)(1)</u>	<u>Financially Literate (Yes/No)</u>
Ron Hozjan (Chairman)	Yes	Yes
Nick Kzyk	Yes	Yes

Note:

1. As defined in NI 52-110.

Relevant Education and Experience

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter.

Ron Hozjan has been the Vice President, Finance and Chief Financial Officer of Aureus Energy Services Inc., a private water management services company, since January 2020. Mr. Hozjan has served as a director of Nova Cannabis Inc. (TSX: NOVC) since June 2018 and is currently the chair of that company's audit committee of the board. Mr. Hozjan became a director of Tenth Avenue Petroleum Corp. (TSXV: TPC) in December 2021, a director of Carbeeza Inc. (TSXV: AUTO) in June 2020, Prior to his role with Aureus Energy Services, he served as Vice President, Finance and Chief Financial Officer of Tamarack Valley

Energy Ltd. (TSX: TVE) from June 2010 until January 2020. Mr. Hozjan has also served as a director of Tendrel Group Inc. since April 2019 and of Aither Ingredient Corp. since February 2020. Mr. Hozjan is a Chartered Professional Accountant with over 30 years of oil and gas experience and over 25 years of experience as a senior financial officer.

Nick Kuzyk is the interim Chief Executive Officer and a Director of Agra Ventures Ltd. since September 2, 2022 and the Principal Consultant and owner of Meadowbank Strategic Partner Inc. since February 2020. Prior thereto, Chief Strategy Officer and Senior Vice President Capital Market of High Tide Inc. from April 2018 until February 2020. Prior thereto, Manager of Investor Relations of Keyera Corp. from November 2014 until March 2018. Mr. Kuzyk has more than 20 years of strategic, capital markets and corporate development experience focused in the energy and cannabis industries. He holds an HBA and MBA from the Richard Ivey School of Business at Western University.

Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors, and approve in advance the provision of services other than audit services and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work, which the Chairman of the Audit Committee deems as necessary.

External Auditor Service Fees (By Category)

The fees for auditor services billed by the Company's external auditors for the last four fiscal years are as follows:

Fiscal Year Ending March 31	Audit Fees	Audit-related Fees⁽¹⁾	Tax Fees	All Other Fees
2022	\$30,000	\$12,000	\$5,500	-
2021	\$50,000	-	\$6,000	-
2020	\$115,500	-	\$5,000	-
2019	\$112,681	-	\$5,600	-
2018	\$66,150	-	\$5,788	-

Notes:

1. Audit-related Fees include amounts billed for non-audit services, such as non-audit reviews of interim financial statements.

Reliance on Certain Exemptions

The Company is relying on the exemption in section 6.1 of NI 52-110.

ADDITIONAL INFORMATION

Financial information of the Company is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. A copy of these documents may be obtained by contacting the Company's interim Chief Financial Officer by email at target@5qir.com.

Copies of these documents, as well as additional information relating to the Company contained in documents filed by the Company with the Canadian securities regulatory authorities, may also be accessed through the SEDAR website at www.sedar.com.

SCHEDULE A STOCK OPTION PLAN

1. Purpose

The purpose of the Plan is to provide an incentive to the directors, officers, employees and consultants of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

2. Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **"Active Employment"** means the period in which an Optionee who is an employee of the Corporation or an affiliate performs work for the Corporation or an affiliate. For certainty, "Active Employment" shall be deemed to include any period constituting the minimum notice of termination period as may be required to be provided to an Optionee pursuant to applicable employment standards legislation but shall exclude any other period that follows or ought to have followed the later of the end of the statutory notice period or the Optionee's last day of performing work for the Corporation or an affiliate, whether that period arises from a contractual or common law right;
- (b) **"Active Engagement"** means any period which an Optionee who is not an employee of the Corporation or an affiliate provides services to the Corporation or an affiliate. For certainty, "Active Engagement" shall exclude any period that follows, or ought to have followed, an Optionee's last day of providing services to the Corporation or an affiliate, including at common law;
- (c) **"Black Out Period"** means any period during which a policy of the Corporation prevents an Insider from trading in the Common Shares;
- (d) **"Board"** means the board of directors of the Corporation;
- (e) **"Change of Control"** means any of the following:
 - (i) the acceptance by the holders of Common Shares, representing in aggregate, more than 50% of all issued Common Shares of any offer, whether by way of a takeover bid or otherwise, for all or any of the outstanding Common Shares;
 - (ii) the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Common Shares acquired) directly or indirectly, of beneficial ownership of such number of Common Shares or rights to Common Shares, if any, representing (assuming the full exercise of such rights to Common Shares) more than 50% of the combined voting rights of the Corporation's then outstanding Common Shares;
 - (iii) the entering into of any agreement by the Corporation to merge, consolidate, amalgamate, initiate an arrangement or be absorbed by or into another corporation; provided that no change of control shall be deemed to have occurred if (A) the transaction contemplated by such agreement referred to herein is not

completed; or (B) upon completion of any such transaction individuals who were members of the Board immediately prior to the effective date of such transaction constitute a majority of the board of directors of the resulting corporation following such effective date;

- (iv) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets or wind up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation winding up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and where the shareholdings remain substantially the same following the re-arrangement);
- (v) individuals who were members of the Board immediately prior to a meeting of shareholders of the Corporation involving a contest for or an item of business relating to the election of directors, do not constitute a majority of the Board following such contest or election;
- (vi) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii), (iii), (iv) and (v) and referred to above; or
- (vii) a determination by the Board, acting in good faith, that a change of control has occurred for the purpose of this clause.

For purposes of this Plan, the Board may, by resolution, clarify the date as of which a Change of Control shall be deemed to have occurred.

- (f) "**Common Shares**" means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (g) "**Corporation**" means Target Capital Inc. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board or a duly empowered committee appointed by the Board;
- (h) "**Exchange**" means the NEX board of the TSX Venture Exchange, the TSX Venture Exchange, the Canadian Securities Exchange or any other stock exchange on which the Common Shares are listed;
- (i) "**Exchange Policies**" means, collectively, Policy 4.4 of the TSX Venture Exchange entitled "Incentive Stock Options", Policy 1.1 of the TSX Venture Exchange entitled "Interpretation" and any other policies of any applicable Exchange applicable to incentive stock options;
- (j) "**Option**" means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board;
- (k) "**Option Period**" means the period determined by the Board during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is five years from the date the Option is granted;
- (l) "**Optionee**" means a person who is a director, officer, employee or consultant of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such

persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan;

- (m) "**Plan**" shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended;
- (n) "**Termination Date**" means, in respect of an Optionee, such Optionee's last day of Active Employment or Active Engagement (as applicable) with the Corporation or an affiliate, whether such date is selected by the Optionee, by mutual agreement between the Corporation or an affiliate and the Optionee, or unilaterally by the Corporation or an affiliate; and
- (o) "**VWAP**" means the volume weighted average trading price of the Corporation's Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option; and in the event that the Shares are not listed and posted for trading on any stock exchange, the VWAP shall be determined by the Board of Directors in its sole discretion, acting reasonably.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation "Consultant", "Discounted Market Price", "Employee", "Insider", "Investor Relations Service Provider" and "Management Company Employee".

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3. Administration

The Plan shall be administered by the Board. The Board shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to the approval of the Exchange (including shareholder approval if required by the Exchange). Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of the Plan to a committee of directors appointed from time to time by the Board, in which case all references herein to the Board shall be deemed to refer to such committee.

4. Eligibility

The Board may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon the approval of the Board. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board shall so determine. Pursuant to Exchange Policies, the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee in respect of Options granted to such Optionee.

5. Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

No person has any right to compensation or damages for any loss in relation to this Plan including any loss in relation to:

- (a) any loss or reduction of rights or expectations under the Plan in any circumstances (including termination of employment for any reason); and
- (b) any exercise of discretion or a decision taken in relation to a grant of Options to the Plan, or any failure to exercise discretion or make a decision.

6. Common Shares Subject to Options

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time, and such aggregate number of Common Shares shall automatically increase or decrease as the number of issued and outstanding Common Shares changes.

Subject to Exchange Policies, the aggregate number of Common Shares reserved for issuance to any one Optionee under Options granted in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant, or 2% of the issued and outstanding Common Shares determined at the date of grant in the case of an Optionee who is a Consultant. In addition, no more than an aggregate of 2% of the issued and outstanding Common Shares determined at the date of grant may be granted in any 12 month period to all Investor Relations Service Providers.

Appropriate adjustments shall be made as set forth in Section 14 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unexercised Common Shares subject thereto shall again be available for the purpose of the Plan.

No fractional shares may be purchased or issued hereunder.

If the Expiry Date occurs during or within 10 days after the last day of a Black Out Period, the Expiry Date for the Option will be the last day of such 10 day period.

Each Option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including Options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

7. Option Agreement

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board, all in accordance with the provisions of this Plan (herein referred to as the "**Option Agreement**"). The Option Agreement will be in such form as the Board may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of the Exchange or any other regulatory body having jurisdiction over the Corporation.

8. Option Period and Exercise Price

Each Option and all rights thereunder shall be expressed to expire on the date set out in the applicable Option Agreement, which date shall be no later than the expiry of the Option Period (the "**Expiry Date**"), subject to earlier termination as provided in Sections 10, 11 and 16 hereof.

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Corporation, the exercise price of an Option granted under the Plan shall be as determined by the Board when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares. In the event that the Corporation proposes to reduce the exercise price of Options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price, if required by the rules and policies of the Exchange then in effect.

9. Exercise of Options

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the Expiry Date, subject to Sections 10, 11 and 16 hereof and to vesting limitations which may be imposed by the Board at the time such Option is granted as set out in the Option Agreement. Subject to Exchange Policies, the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

In the event a Change of Control is contemplated or has occurred, or at any other time, the Board of Directors may, in its sole and absolute discretion, subject to any required approval of any regulatory authority or the Exchange, declare that the Optionees (other than Investor Relations Service Providers) shall be entitled to exercise Options on a "net" basis at any time prior to the expiry time of such Options. The exercise of any Option on a "net" basis will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares in respect of which the Option is being exercised on a "net" basis. Upon such exercise, the Optionee shall be issued such number of Shares as is equal to (i) the "in-the-money" amount for all of the Optionee's Options being exercised on a "net" basis (being the then VWAP (calculated at the date of exercise) less the exercise price of each such Option) divided by (ii) the then VWAP (calculated at the date of exercise), and multiplied by (iii) the number of Options being exercised on a "net" basis.

10. Ceasing to be a Director, Officer, Employee or Consultant

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, his or her Option will terminate at 4:00 p.m. (Calgary time) on the earlier

of the date of the expiration of the Option Period and 30 days after the Termination Date. An Optionee shall have no entitlement to damages or other compensation whatsoever arising from, in lieu of, or related to not receiving any Option which would have vested or been granted after the Termination Date, or which could have been exercised after the Termination Date but for this Section 10, including but not limited to damages in lieu of notice at common law. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

11. Death of Optionee

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one year following the date of the death of the Optionee or prior to the Expiry Date, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death pursuant to the terms of the Optionee's Option Agreement.

12. Optionee's Rights Not Transferable

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except pursuant to Section 11 hereof, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

13. Takeover or Change of Control

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

14. Adjustments

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would

have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;

- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change; or
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereon he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustment shall be made successively whenever any event referred to in this section shall occur. Appropriate adjustments to: (i) the number of Shares subject to the Plan and, as regards to Options granted or to be granted, in the number of Shares optioned; and (ii) the Exercise Price, shall be made by the Board to give effect to adjustments in the number of Shares resulting from any of the above mentioned subdivisions, consolidations or reclassifications of the Shares, the payment of distributions or dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the authorized or issued capital of the Corporation, which changes occur subsequent to the approval of the Plan by the Board.

15. Costs

The Corporation shall pay all costs of administering the Plan.

16. Termination and Amendment

- (a) The Board may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any other regulatory authority having jurisdiction over the Corporation, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such other regulatory authority.
- (b) The Board may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 16(a) hereof, subject to the approval of the Exchange or any other regulatory authority having jurisdiction over the Corporation, and the approval of the shareholders of the Corporation if required by the Exchange or such other regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.

- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

17. Applicable Law

This Plan shall be governed by, administered and construed in accordance with the laws of Canada applicable therein.

18. Prior Plans

On the effective date (as defined in Section 19 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

19. Effective Date

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

SCHEDULE B BOARD OF DIRECTORS MANDATE

Effective as and from January 19, 2018

1. GENERAL

The Board of Directors (the "**Board**") of Target Capital Inc. (the "**Corporation**") is responsible for the stewardship of the Corporation's affairs and the activities of management of the Corporation in the conduct of day to day business, all for the benefit of its shareholders.

The primary responsibilities of the Board are:

- (a) to maximize long term shareholder value;
- (b) to approve the strategic plan of the Corporation;
- (c) to ensure that processes, controls and systems are in place for the management of the business and affairs of the Corporation and to address applicable legal and regulatory compliance matters;
- (d) to maintain the composition of the Board in a way that provides an effective mix of skills and experience to provide for the overall stewardship of the Corporation;
- (e) to ensure that the Corporation meets its obligations on an ongoing basis and operates in a safe and reliable manner; and
- (f) to monitor the performance of the management of the Corporation to ensure that it meets its duties and responsibilities to the shareholders.

2. COMPOSITION AND OPERATION

The number of directors shall be not less than the minimum and not more than the maximum number specified in the Corporation's articles and shall be set from time to time within such limits by resolutions of the shareholders or of the Board as may be permitted by law. Directors are elected to hold office for a term of one year. At least 25 percent of the directors must be Canadian residents. The Board will analyze the application of the "independent" standard as such term is referred to in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, to individual members of the Board on an annual basis and disclose that analysis. The Board will in each year appoint a chairman of the Board (the "**Chairman**").

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility of managing its own affairs including selecting its Chairman, nominating candidates for election to the Board, constituting committees of the Board and determining compensation for the directors. Subject to the articles and by-laws of the Corporation and the *Business Corporations Act (Alberta)* (the "**ABCA**"), the Board may constitute, seek the advice of, and delegate certain powers, duties and responsibilities to, committees of the Board.

3. MEETINGS

The Board shall have a minimum of four regularly scheduled meetings per year. Special meetings are called as necessary. Occasional Board trips are scheduled, if possible, in conjunction with regular Board meetings, to offer directors the opportunity to visit sites and facilities at different operational locations. A quorum for a meeting of the Board shall consist of a simple majority of the members of the Board.

The Board will schedule executive sessions where directors meet with or without management participation at each regularly-scheduled meeting of the Board.

4. SPECIFIC DUTIES

(a) Oversight and Overall Responsibility

In fulfilling its responsibility for the stewardship of the affairs of the Corporation, the Board shall be specifically responsible for:

- (i) providing leadership and direction to the Corporation and management with the view to maximizing shareholder value. Directors are expected to provide creative vision, initiative and experience in the course of fulfilling their leadership role;
- (ii) satisfying itself as to the integrity of the Chief Executive Officer (the "**CEO**") and other senior officers of the Corporation and ensuring that a culture of integrity is maintained throughout the Corporation;
- (iii) approving the significant policies and procedures by which the Corporation is operated and monitoring compliance with such policies and procedures, and, in particular, compliance by all directors, officers and employees with the provisions of the Code of Business Conduct and Ethics;
- (iv) reviewing and approving material transactions involving the Corporation, including material investments by the Corporation and material capital expenditures by the Corporation;
- (v) approving budgets, monitoring operating performance and ensuring that the Board has the necessary information, including key business and competitive indicators, to enable it to discharge this duty and take any remedial action necessary;
- (vi) establishing methods by which interested parties may communicate directly with the Chairman or with the independent directors as a group and cause such methods to be disclosed;
- (vii) developing written position descriptions for the Chairman and for the chair of each Board committee; and
- (viii) making regular assessments of the Board and its individual members, as well as the effectiveness and contributions of each Board committee.

(b) Legal Requirements

- (i) The Board has the oversight responsibility for meeting the Corporation's legal requirements and for properly preparing, approving and maintaining the Corporation's documents and records.
- (ii) The Board has the statutory responsibility to:
 - (A) manage the business and affairs of the Corporation;
 - (B) act honestly and in good faith with a view to the best interests of the Corporation;

- (C) exercise the care, diligence and skill that responsible, prudent people would exercise in comparable circumstances; and
 - (D) act in accordance with its obligations contained in the ABCA and the regulations thereto, the articles and by-laws of the Corporation, and other relevant legislation and regulations.
- (iii) The Board has the statutory responsibility for considering the following matters as a full Board which in law may not be delegated to management or to a committee of the Board:
- (A) any submission to the shareholders of a question or matter requiring the approval of the shareholders;
 - (B) the filling of a vacancy among the directors or in the office of auditor;
 - (C) the appointment of additional directors;
 - (D) the issuance of securities except in the manner and on the terms authorized by the Board;
 - (E) the declaration of dividends;
 - (F) the purchase, redemption or any other form of acquisition of shares issued by the Corporation, except in the manner and on the terms authorized by the Board;
 - (G) the payment of a commission to any person in consideration of such person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any shares of the Corporation;
 - (H) the approval of management proxy circulars;
 - (I) the approval of any financial statements to be placed before the shareholders of the Corporation at an annual general meeting; and
 - (J) the adoption, amendment or repeal of any by-laws of the Corporation.

(c) **Independence**

The Board shall have the responsibility to:

- (i) implement appropriate structures and procedures to permit the Board to function independently of management (including, without limitation, through the holding of meetings at which non-independent directors and management are not in attendance, if and when appropriate);
- (ii) implement a system which enables an individual director to engage an outside advisor at the expense of the Corporation in appropriate circumstances; and
- (iii) provide an orientation and education program for newly appointed members of the Board.

(d) **Strategy Determination**

The Board shall:

- (i) adopt and annually review a strategic planning process and approve the corporate strategic plan, which takes into account, among other things, the opportunities and risks of the Corporation's business; and
- (ii) annually review operating and financial performance results relative to established strategy, budgets and objectives.

(e) **Managing Risk**

The Board has the responsibility to identify and understand the principal risks of the Corporation's business, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that appropriate systems are in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

(f) **Appointment, Training and Monitoring of Senior Management**

The Board shall:

- (i) appoint the CEO and other senior officers of the Corporation, approve (upon recommendations from the Governance and Nominating Committee and the Compensation Committee) their compensation, and monitor and assess the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value;
- (ii) ensure that a process is established that adequately provides for succession planning including the appointment, training and monitoring of senior management;
- (iii) establish limits of authority delegated to management; and
- (iv) develop a written position description for the CEO.

(g) **Reporting and Communication**

The Board has the responsibility to:

- (i) verify that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;
- (ii) verify that the financial performance of the Corporation is reported to shareholders, other security holders and regulators on a timely and regular basis;
- (iii) verify that the financial results of the Corporation are reported fairly and in accordance with International Financial Reporting Standards from time to time;
- (iv) verify the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;

- (v) report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year; and
- (vi) develop appropriate measures for receiving stakeholder feedback.

(h) **Monitoring and Acting**

The Board has the responsibility to:

- (i) review and approve the Corporation's financial statements and oversee the Corporation's compliance with applicable audit, accounting and reporting requirements;
- (ii) verify that the Corporation operates at all time within applicable laws and regulations to the highest ethical and moral standards;
- (iii) approve and monitor compliance with significant policies and procedures by which the Corporation operates;
- (iv) monitor the Corporation's progress towards its goals and objectives and to work with management to revise and alter its direction in response to changing circumstances;
- (v) take such action as it determines appropriate when the Corporation's performance falls short of its goals and objectives or when other special circumstances warrant; and
- (vi) verify that the Corporation has implemented appropriate internal control and management information systems.

(i) **Other Activities**

The Board may perform any other activities consistent with this mandate, the articles and by-laws of the Corporation and any other governing laws as the Board deems necessary or appropriate including, but not limited to:

- (i) preparing and distributing the schedule of Board meetings for each upcoming year;
- (ii) calling meetings of the Board at such time and such place and providing notice of such meetings to all members of the Board in accordance with the by-laws of the Corporation; and
- (iii) ensuring that all regularly-scheduled Board meetings and committee meetings are properly attended by directors. Directors may participate in such meetings by conference call if attendance in person is not possible.

(j) **Code of Business Conduct and Ethics**

The Board shall be responsible to adopt a "*Code of Business Conduct and Ethics*" for the Corporation which shall address:

- (i) conflicts of interest;
- (ii) the protection and proper use of the Corporation's investments and opportunities;

- (iii) the confidentiality of information;
- (iv) fair dealing with various stakeholders of the Corporation;
- (v) compliance with laws, rules and regulations; and
- (vi) the reporting of any illegal or unethical behaviour.

5. BOARD COMMITTEES

The Board shall at all times maintain: (a) an Audit Committee; (b) a Governance and Nominating Committee; (c) a Compensation Committee; and (d) a Risk Committee, each of which must report to the Board. Each such committee must operate in accordance with the by-laws, applicable law, its committee charter and the applicable rules of any stock exchange on which the shares are traded. The Board may also establish such other committees as it deems appropriate and delegate to such committees such authority permitted by its by-laws and applicable law, and as the Board sees fit. The purpose of the Board committees is to assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for matters assigned to the committees for determination. Except as may be explicitly provided in the charter of a particular committee or a resolution of the Board, the role of a Board committee is to review and make recommendations to the Board with respect to the approval of matters considered by the committee.

6. DIRECTOR ACCESS TO MANAGEMENT

The Corporation shall provide each director with complete access to the management of the Corporation, subject to reasonable advance notice to the Corporation and reasonable efforts to avoid disruption to the Corporation's management, business and operations. Prior to any director of the Corporation initiating a discussion with any employee of the Corporation, including management, such director shall have the obligation to provide notice to the Chairman and the CEO that the director intends on initiating such a discussion.

7. DIRECTOR COMPENSATION

The Board, upon recommendation of the Compensation Committee, will determine and review the form and amount of compensation to directors.

**SCHEDULE C
AUDIT COMMITTEE CHARTER**

**TARGET CAPITAL INC.
MANDATE OF THE AUDIT COMMITTEE
Effective as and from January 19, 2018**

ROLE AND OBJECTIVE

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Target Capital Inc. (the "**Corporation**") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiaries, are as follows:

- To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial statements of the Corporation and related matters.
- To provide better communication between the Board and external auditors.
- To ensure the external auditors' independence.
- To review management's implementation and maintenance of an effective system of internal control over financial reporting and disclosure control over financial reporting.
- To increase the credibility and objectivity of financial reports.
- To facilitate in-depth discussions between directors on the Committee, management and external auditors.

The primary responsibility for the financial reporting, information systems, risk management and internal and disclosure controls of the Corporation is vested in management and overseen by the Board. At each meeting, the Committee may meet separately with management and will meet in separate, closed sessions with the external auditors and then with the independent directors in attendance.

MANDATE AND RESPONSIBILITIES OF COMMITTEE

Financial Reporting and Related Public Disclosure

1. It is a primary responsibility of the Committee to review and recommend for approval to the Board the annual and quarterly financial statements of the Corporation. The Committee is also to review and recommend to the Board for approval the financial statements and related information included in prospectuses, management discussion and analysis, financial press releases, information circular-proxy statements and annual information forms, including financial outlooks and future-oriented financial information included therein. The process should include but not be limited to:
 - a. reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
 - b. reviewing significant management judgments and estimates that may be material to financial reporting including alternative treatments and their impacts;

- c. reviewing the presentation and impact of any significant risks and uncertainties that may be material to financial reporting including alternative treatments and their impacts;
 - d. reviewing accounting treatment of significant, unusual or non-recurring transactions;
 - e. reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - f. reviewing unresolved differences between management and the external auditors;
 - g. determining through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed; and
 - h. reviewing all financial reporting relating to risk exposure including the identification, monitoring and mitigation of business risk and its disclosure.
2. The Committee shall satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial statements and periodically assess the adequacy of those procedures.

Internal Controls Over Financial Reporting and Information Systems

1. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control over financial reporting and information systems. The process should include but not be limited to:
 - a. inquiring as to the adequacy and effectiveness of the Corporation's system of internal controls over financial reporting and review the evaluation of internal controls over financial reporting by external auditors;
 - b. establishing procedures for the confidential, anonymous submission by employees of the Corporation of concerns relating to accounting, internal control over financial reporting, auditing or Code of Business Conduct and Ethics matters and periodically review a summary of complaints and their related resolution; and
 - c. establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

External Auditors

1. With respect to the appointment of external auditors by the Board, the Committee shall:
 - a. be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;
 - b. review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;
 - c. review and evaluate annually the external auditors' performance, and periodically (at least every five years) conduct a comprehensive review of the external auditors;

- d. recommend to the Board appointment of external auditors and the compensation of the external auditors;
 - e. when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
 - f. review and approve any non-audit services to be provided by the external auditors' firm and consider the impact on the independence of the auditors; between scheduled meetings, the Chair of the Committee is authorized to approve all audit related services and non-audit services provided by the external auditors for individual engagements with estimated fees of \$25,000 and under; and shall report all such approvals to the Committee at its next scheduled meeting;
 - g. inquire as to the independence of the external auditors and obtain, at least annually, a formal written statement delineating all relationships between the external auditors and the Corporation as contemplated by *Independence Standards Board Standard No. 1 – Independence Discussions with Audit Committees*;
 - h. review the Annual Report of the Canadian Public Accountability Board ("**CPAB**") concerning audit quality in Canada and discuss implications for the Corporation;
 - i. review any reports issued by CPAB regarding the audit of the Corporation; and
 - j. discuss with the external auditors, without management being present, the quality of the Corporation's financial and accounting personnel, the completeness and accuracy of the Corporation's financial statements and elicit comments of senior management regarding the responsiveness of the external auditors to the Corporation's needs.
2. The Committee shall review with the external auditors (and the internal auditor if one is appointed by the Corporation) their assessment of the internal control over financial reporting of the Corporation, their written reports containing recommendations for improvement of internal control over financial reporting and other suggestions as appropriate, and management's response and follow-up to any identified weaknesses.
 3. The Committee shall also review and approve annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.

Compliance

1. It is the responsibility of the Committee to review management's process for the certification of annual and interim financial reports in accordance with required securities legislation.
2. It is the responsibility of the Committee to ascertain compliance with covenants under loan agreements.
3. The Committee shall review the Corporation's compliance with all legal and regulatory requirements as it pertains to financial reporting, taxation, internal control over financial reporting and any other area the Committee considers to be appropriate relative to its mandate or as may be requested by the Board.

Other Matters

1. It is the responsibility of the Committee to review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and external auditors of the Corporation.
2. The Committee may also review any other matters that the Committee feels are important to its mandate or that the Board chooses to delegate to it.
3. The Committee shall undertake annually a review of this mandate and make recommendations to the Governance and Nominating Committee as to proposed changes.

COMPOSITION

1. This Committee shall be composed of at least three individuals appointed by the Board from amongst its members, all of whom shall be independent (within the meaning of section 1.4 and 1.5 of National Instrument 52-110 Audit Committees ("**NI 52-110**") unless the Board determines to rely on an exemption in NI 52-110.
2. The chair of the Committee (the "**Committee Chair**") shall be appointed by the Board.
3. A quorum shall be a majority of the members of the Committee.
4. All of the members must be financially literate (within the meaning section 1.6 of NI 52-110) unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

MEETINGS

1. The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair.
2. The Committee shall meet not less than quarterly with the auditors, independent of the presence of management.
3. Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.
4. The chief executive officer and the chief financial officer of the Corporation or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.
5. Other staff shall attend meetings upon invitation by the Committee should the Committee deem them necessary for the provision of information.

REPORTING / AUTHORITY

1. Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

2. Supporting schedules and information reviewed by the Committee shall be available for examination by any director.
3. The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.
4. The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.
5. The Committee shall annually review this mandate and make recommendations to the Governance and Nominating Committee as to proposal changes.

**SCHEDULE D
DISSENT RIGHTS**

Section 191 of the *Business Corporations Act* (Alberta)

Shareholders have the right to dissent in respect of the Amalgamation Resolution in accordance with Section 191 of the ABCA. Such right to dissent is described in the Information Circular. The full text of Section 191 of the ABCA is set forth below.

- 191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to
- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
 - (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
 - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1);
 - (c) amalgamate with another corporation, otherwise than under section 184 or 187,
 - (d) be continued under the laws of another jurisdiction under section 189, or
 - (e) sell, lease or exchange all or substantially all its property under section 190.
- (2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
- (3) In addition to any other right he may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.
- (4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
- (5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)
- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
 - (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of his right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.
- (6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),
- (a) by the corporation, or

- (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5) to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
- (8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder
 - (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
 - (b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.
- (9) Every offer made under subsection (7) shall
 - (a) be made on the same terms, and
 - (b) contain or be accompanied with a statement showing how the fair value was determined.
- (10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- (11) A dissenting shareholder
 - (a) is not required to give security for costs in respect of an application under subsection (6), and
 - (b) except in special circumstances must not be required to pay the costs of the application or appraisal.
- (12) In connection with an application under subsection (6), the Court may give directions for
 - (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
 - (b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the Alberta Rules of Court,
 - (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
 - (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
 - (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,

- (f) the service of documents, and
 - (g) the burden of proof on the parties.
- (13) On an application under subsection (6), the Court shall make an order
- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
 - (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
 - (c) fixing the time within which the corporation must pay that amount to a shareholder, and
 - (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (14) On:
- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
 - (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
 - (c) the pronouncement of an order under subsection (13);
- whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.
- (15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).
- (16) Until one of the events mentioned in subsection (14) occurs,
- (a) the shareholder may withdraw the shareholder's dissent, or
 - (b) the corporation may rescind the resolution,
- and in either event proceedings under this section shall be discontinued.
- (17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- (18) If subsection (20) applies, the corporation shall, within 10 days after
- (a) the pronouncement of an order under subsection (13), or
 - (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

- (19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
- (20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
 - (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.