

*This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, broker, lawyer or other professional advisor. If you have any questions or require additional information concerning the proposal contained herein, including information related to the benefits of the proposal, please contact RE Royalties Ltd. Investor Relations department at 14th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1 at telephone number: 778-374-2000 or fax number 604-681-2741.*

*The matters described in this document have not been approved by any securities regulatory authority nor has any securities regulatory authority expressed an opinion about the fairness or merits of such matters or the adequacy of the information contained in this document. Any representation to the contrary is an offence.*

**AMENDED**

**NOTICE OF SPECIAL MEETING OF SERIES 1-2020 GREEN BONDS AND SERIES 2 GREEN BONDS OF**

**RE ROYALTIES LTD.**

**to be held October 19, 2022**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**RELATING TO**

**AMENDMENTS TO THE INDENTURE GOVERNING THE OUTSTANDING SERIES OF GREEN BONDS OF RE ROYALTIES LTD.**

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**September 30, 2022**

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***THE VOTING MEMBERS OF THE BOARD OF DIRECTORS OF RE ROYALTIES LTD. UNANIMOUSLY RECOMMEND THAT BONDHOLDERS VOTE FOR THE EXTRAORDINARY RESOLUTION AS SET OUT IN THE MANAGEMENT INFORMATION CIRCULAR.***

***REGISTERED BONDHOLDERS WHO DESIRE TO VOTE FOR THE EXTRAORDINARY RESOLUTION, PLEASE MARK THE "VOTE FOR" BOX ON THE ACCOMPANYING PROXY FORM AND SIGN AND DEPOSIT SUCH DOCUMENT IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT THEREIN AS SOON AS PRACTICABLE AND IN ANY EVENT BY 10:00 A.M. (VANCOUVER TIME) ON OCTOBER 17, 2022. BENEFICIAL BONDHOLDERS WHO DESIRE TO VOTE FOR THE EXTRAORDINARY RESOLUTION MUST AUTHORIZE AND DIRECT THEIR CDS PARTICIPANT TO EXECUTE THE ENCLOSED PROXY FORM. CAPITAL TRANSFER AGENCY MUST RECEIVE BY E-MAIL AN ELECTRONIC COPY OF A SIGNED PROXY TO CAPITAL EMAIL (I) BY EMAIL AT: VOTEPROXY@CAPITALTRANSFERAGENCY.COM; (II) BY FAX TO 416-350-5008 (TOLL FREE IN CANADA AND THE UNITED STATES) OR 1 (844) 499-4482 (OUTSIDE OF CANADA AND THE UNITED STATES); (III) BY MAIL TO CAPITAL TRANSFER AGENCY, 390 BAY STREET, SUITE 920, TORONTO, ON M5H 2Y2; OR (IV) VIA THE INTERNET AT WWW.CAPITALTRANSFERAGENCY.COM/VOTEPROXY, IN EACH CASE, BY NO LATER THAN 10:00 A.M. (VANCOUVER TIME) ON OCTOBER 17, 2022, UNLESS SUCH DEADLINE IS EXTENDED OR THE MEETING IS ADJOURNED OR POSTPONED (IN WHICH CASE THE DEADLINE FOR SUBMITTING A PROXY SHALL BE NO LATER THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME FOR HOLDING SUCH ADJOURNED OR POSTPONED MEETING), PROVIDED THAT THE COMPANY AND THE TABULATION AGENT RESERVE THE RIGHT TO WAIVE SUCH DEADLINE AND ACCEPT AND TREAT AS VALID THOSE PROXIES RECEIVED AFTER SUCH DEADLINE FOR THE PURPOSE OF THE MEETING.***

**AMENDMENTS TO THE INDENTURE GOVERNING THE OUTSTANDING SERIES OF GREEN BONDS OF RE ROYALTIES LTD.**

**NOTICE IS HEREBY GIVEN** that a meeting (the “**Meeting**”) of the holders (the “**Series 1 Bondholders**”) of the outstanding Series 1-2020 Green Bonds (as defined in the Indenture) of RE Royalties Ltd. (the “**Company**”), with all Series 1 Bondholders voting together, will be held at the Company’s offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 11:00 a.m. (Vancouver time) on October 19, 2022, (unless adjourned, postponed or earlier cancelled) for the following purposes:

- (a) to consider and, if thought advisable, to pass, with or without alteration or modification, an extraordinary resolution (the “**Resolution**”), the full text of which is set forth as Exhibit A to the accompanying proxy solicitation statement (the “**Circular**”), to authorize and approve certain amendments (the “**Amendments**”) to the terms of the trust indenture made as of August 10, 2020 between the Company and the Trustee, as supplemented by the First Supplemental Indenture made as of December 30, 2021, as amended or supplemented from time to time (the “**Indenture**”), between the Company and Western Pacific Trust Company, as trustee (the “**Trustee**”), and to authorize the Company and the Trustee to thereafter enter into a second supplemental indenture to the Indenture (the “**Second Supplemental Indenture**”) to give effect to the Amendments; and
- (b) to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Meeting. Capitalized terms used but not defined in this Notice of Meeting have the meanings given to them in the glossary of the Circular.

The record date for entitlement to notice of, and to vote at, the Meeting is 5:00 p.m. (Vancouver time) on September 19, 2022 (the “**Record Date**”). Each holder of Series 1-2020 Green Bonds will have one vote in respect of each \$1,000 principal amount of Bonds that such Bondholder holds as of the Record Date. Any extraordinary resolution passed by the affirmative vote of not less than 66<sup>2</sup>/3% of the votes of those Series 1 Bondholders present or represented by proxy at the Meeting and voted on a poll upon such resolution at the Meeting or any adjournment thereof, voting together, will, if passed in accordance with the provisions contained in the Indenture, be binding upon all Series 1 Bondholders, whether or not present at the Meeting.

Two or more Series 1 Bondholders present in person or by proxy and representing more than 50% of the total principal amount of the Series 1-2020 Green Bonds outstanding will constitute a quorum for the Meeting. In the absence of a quorum, the Meeting may be adjourned in accordance with the Indenture.

If you have any questions or require more information with regard to voting your Series 1-2020 Green Bonds, please contact please contact Capital Transfer Agency at **416-350-5007**.

**DATED** at Vancouver, British Columbia this **30th** day of September, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
RE ROYALTIES LTD.**

*“Bernard Tan”*  
Chief Executive Officer and Director

**AMENDMENTS TO THE INDENTURE GOVERNING THE OUTSTANDING SERIES OF GREEN BONDS OF RE ROYALTIES LTD.**

**NOTICE IS HEREBY GIVEN** that a meeting (the “**Meeting**”) of the holders (the “**Series 2 Bondholders**”) of the outstanding Series 2 Green Bonds (as defined in the Indenture) of RE Royalties Ltd. (the “**Company**”), with all Series 2 Bondholders voting together, will be held at the Company’s offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 10:00 a.m. (Vancouver time) on October 19, 2022, (unless adjourned, postponed or earlier cancelled) for the following purposes:

- (c) to consider and, if thought advisable, to pass, with or without alteration or modification, an extraordinary resolution (the “**Resolution**”), the full text of which is set forth as Exhibit A to the accompanying proxy solicitation statement (the “**Circular**”), to authorize and approve certain amendments (the “**Amendments**”) to the terms of the trust indenture made as of August 10, 2020 between the Company and the Trustee, as supplemented by the First Supplemental Indenture made as of December 30, 2021, as amended or supplemented from time to time (the “**Indenture**”), between the Company and Western Pacific Trust Company, as trustee (the “**Trustee**”), and to authorize the Company and the Trustee to thereafter enter into a second supplemental indenture to the Indenture (the “**Second Supplemental Indenture**”) to give effect to the Amendments; and
- (d) to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Meeting. Capitalized terms used but not defined in this Notice of Meeting have the meanings given to them in the glossary of the Circular.

The record date for entitlement to notice of, and to vote at, the Meeting is 5:00 p.m. (Vancouver time) on September 19, 2022 (the “**Record Date**”). Each holder of Series 2 Green Bonds will have one vote in respect of each \$1,000 principal amount of Bonds that such Bondholder holds as of the Record Date. Any extraordinary resolution passed by the affirmative vote of not less than 66<sup>2</sup>/<sub>3</sub>% of the votes of those Series 2 Bondholders present or represented by proxy at the Meeting and voted on a poll upon such resolution at the Meeting or any adjournment thereof, voting together, will, if passed in accordance with the provisions contained in the Indenture, be binding upon all Series 2 Bondholders, whether or not present at the Meeting.

Two or more Series 2 Bondholders present in person or by proxy and representing more than 50% of the total principal amount of the Series 2 Green Bonds outstanding will constitute a quorum for the Meeting. In the absence of a quorum, the Meeting may be adjourned in accordance with the Indenture.

If you have any questions or require more information with regard to voting your Series 2 Green Bonds, please contact please contact Capital Transfer Agency at **416-350-5007**.

**DATED** at Vancouver, British Columbia this 30th day of September, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
RE ROYALTIES LTD.**

*“Bernard Tan”*  
Chief Executive Officer and Director

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## CURRENCY

All dollar amounts in this Circular are in Canadian dollars unless otherwise indicated.

## NOTICE REGARDING INFORMATION

No person has been authorized to give information or to make any representations in connection with the matters to be considered by the Bondholders at the Meeting other than those contained in this Circular and, if given or made, any such information or representations should not be relied upon in making a decision as to whether to vote for the Extraordinary Resolution in the form attached as Appendix "A", or be considered to have been authorized by the Company.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Bondholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own professional advisors as to the relevant legal, tax, financial or other matters in connection herewith.

The accompanying Proxy Form is for use by the Bondholders in connection with the Amendments and Bondholders are encouraged to complete, sign and deposit such documents, in accordance with the instructions set out therein.

Information contained in this Circular is given as of September 16, 2022, unless otherwise specifically stated.

## FORWARD-LOOKING INFORMATION

Certain statements included herein constitute "forward-looking statements". All statements included in this Circular that address future events, conditions or results of operations, including in respect of the Amendments, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as "may", "should", "will", "could", "expect", "intend", "plan", "estimate", "anticipate", "believe", "future" or "continue" or the negative forms thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Bondholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of risks and uncertainties, including but not limited to, the risk that the Amendments will not be successfully completed for any reason and other factors identified under the heading entitled "*Risks Factors*" in the Company's Annual Information Form dated May 2, 2022. Many of such risks and uncertainties are outside the control of the Company and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, including with respect to general economic and financial conditions, interest rates, exchange rates, equity and debt markets, business competition, changes in government regulations or in tax laws, acts and omissions of third parties and the ability of the Company to obtain approval for the Amendments. Such forward-looking statements should, therefore, be construed in light of such factors and assumptions. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

## GLOSSARY OF TERMS

*In this Circular, unless the context otherwise requires, the following terms have the meanings indicated. All capitalized terms used but not defined in this Circular have the meanings given to them in the Indenture.*

“**Amendments**” has the meaning set out in the section of this Circular entitled, “The Amendments”.

“**Board**” means the board of directors of the Company.

“**Bond**” means any evidence of indebtedness of the Company authenticated and delivered by the Trustee under and pursuant to the Indenture; and “**Bonds**” means, collectively, the outstanding series of Series 1-2020 Green Bonds and Series 2 Green Bonds of the Company issued under the Indenture.

“**Bondholder**” means each holder of Bonds.

“**Business Day**” means any day on which banks are generally open for business in Vancouver, British Columbia other than Saturday, Sunday or any statutory or civic holiday in the City of Vancouver.

“**CDS**” means CDS Clearing and Depository Services Inc. or its nominee.

“**CDS Participant**” means the broker, dealer, commercial bank, trust company or other intermediary of a Bondholder, or clearing agency of which such intermediary is a participant with CDS.

“**Circular**” means this amended proxy solicitation statement dated September 30, 2022.

“**Company**” means RE Royalties Ltd.

“**Effective Date**” means the date on which the Second Supplemental Indenture giving effect to the Amendments is executed and delivered by the Company and the Trustee.

“**Extraordinary Resolution**” means the extraordinary resolution authorizing, among other things, the Amendments and the entering into by the Company and the Trustee of the Second Supplemental Indenture to give effect to the Amendments, the full text of which is set forth as Exhibit A to this Circular.

“**Indenture**” means the trust indenture made as of August 10, 2020 between the Company and the Trustee, as supplemented by the First Supplemental Indenture made as of December 30, 2021, as amended or supplemented from time to time, between the Company and the Trustee.

“**Meetings**” means, together, the Series 1 Bondholder Meeting and the Series 2 Bondholder Meeting.

“**Notice of Meeting**” means, together, each notice of meeting dated September 30, 2022, accompanying this Circular.

“**Proxy Cut-Off Time**” means 10:00 a.m. (Vancouver time) on October 17, 2022, unless the Meeting is adjourned or postponed (in which case the “**Proxy Cut-Off Time**” shall be 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding such adjourned or postponed Meeting), provided that the Company and the Tabulation Agent reserve the right to waive the Proxy Cut-Off Time and accept and treat as valid those proxies received after the Proxy Cut-Off Time for the purpose of the Meeting.

“**Proxy Form**” means the proxy form delivered to Bondholders together with this Circular.

“**Record Date**” means as of 5:00 pm (Vancouver time) on September 19, 2022.

“**Requisite Majority**” has the meaning set out in the section of this Circular entitled, “The Amendments – Requisite Majority”.

“**Second Supplemental Indenture**” means the second supplemental indenture amending the terms of the Indenture to give effect to the Amendments, to be entered into between the Company and the Trustee only upon Bondholder approval of the Extraordinary Resolution and only if the Company does not exercise its discretion not to enter into the second supplemental indenture, attached hereto as Exhibit B.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval, a filing system developed for the Canadian Securities Administrators and accessible at [www.sedar.com](http://www.sedar.com).

“**Series 1 Bondholder**” means each holder of Series-1 2020 Green Bonds.

“**Series 1 Bondholder Meeting**” means the meeting of Series 1 Bondholders to be held at the Company’s offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 11:00 a.m. (Vancouver time) on October 19, 2022.

“**Series 2 Bondholder**” means each holder of Series 2 Green Bonds.

“**Series 2 Bondholder Meeting**” means the meeting of Series 2 Bondholders to be held at the Company’s offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 10:00 a.m. (Vancouver time) on October 19, 2022.

“**Tabulation Agent**” means Capital Transfer Agency.

“**Trustee**” means Western Pacific Trust Company, in its capacity as trustee under the Indenture.

## SUMMARY OF CIRCULAR

*The following is a summary of certain information contained in this Circular and should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing in this Circular. Bondholders are urged to read this Circular and the exhibits attached hereto carefully and in their entirety. Capitalized terms used in this summary are defined in the Glossary of Terms above.*

### **Purpose of the Meetings**

The Meetings have been called to consider and, if determined advisable, pass, with or without amendment, the Extraordinary Resolution.

### **The Amendments**

In approving the Extraordinary Resolution, the Bondholders will be, among other things, authorizing and approving the Amendments to the Indenture, and authorizing the Company and the Trustee to thereafter execute and deliver the Second Supplemental Indenture to give effect to the Amendments and to take such actions and to execute and deliver such documents as may be necessary to carry out the intent of the Extraordinary Resolution.

The Amendments provide that (a) the definition of "Adjusted EBITDA" is to be amended as it currently appears in the Indenture, so that it is no longer decreased by net profits of Affiliates and any other profits in respect of investments which are accounted for on an equity basis; (b) the definition of "Debt Coverage Ratio" is to be amended to exclude interest expense on Bonds for which the outstanding principal amount has not yet been utilized to finance projects in accordance with the Company's Green Bond Framework (as defined in the Second Supplemental Indenture); (c) the definition of "Total Interest Expense" is to be amended to specify that the accretion or amortization of capitalized financing or transaction costs are to be excluded from the definition; and (d) the Debt to Equity Ratio covenant in the Indenture is to be amended so that the Debt to Equity Ratio shall not be less than thirty-four hundredths (0.34), revised from a ratio of not less than one (1).

### **Rationale for the Amendments**

#### *Amendment of the definition of Adjusted EBITDA*

The proposed amendment of the definition of Adjusted EBITDA will permit the inclusion of income from projects in which the Company has co-invested through an investment vehicle, such as the Company's mezzanine financing agreement with Outagamie Clean Energy Partners, in which the Company has invested through a co-investment vehicle structured as a limited liability company in which the Company holds an equity interest of approximately 97%. Such co-investments are accounted for on an equity basis. As Adjusted EBITDA impacts the Debt Coverage Ratio calculation described in the Indenture, the amendment will allow the Company to include such co-investment income towards maintaining its covenant with respect to maintaining a Debt Coverage Ratio of not less than one hundred and ten percent (110%).

#### *Amendment of the definition of Debt Coverage Ratio*

The proposed amendment to the definition of Debt Coverage Ratio will exclude the interest expense on the principal amount of newly issued Bonds, of which funds have not yet been invested. Currently, the issuance of new Bonds will immediately impact the Debt Coverage Ratio. However, the funds from such Bonds will not begin to generate earnings in the form of royalties or interest, until the capital has been deployed as investments in accordance with the Company's Green Bond Framework. As a result, the Company may have difficulty maintaining its covenant with respect to the Debt Coverage Ratio for the period immediately following the issuance of Bonds and prior to the deployment of such capital. The intention of the Debt Coverage Ratio is to ensure the Company generates sufficient earnings to service its debt on an ongoing basis. Accordingly, the amendment of the definition will allow the Company to maintain a Debt Coverage Ratio with respect to the Bonds for which the principal amount has been invested and is generating earnings, which is consistent with the intention of the covenant.

### *Definition of Total Interest Expense*

The “Total Interest Expense” definition, as it appears in the Indenture, does not currently specify that financing expenses are to be excluded from the “Total Interest Expense”, which is used to determine the Debt Coverage Ratio. The Company believes that the amendment to this definition will clarify the intention that the Debt Coverage Ratio excludes the issuance expenses paid from the Bonds’ principal amount, such as agent commissions, agent warrants, and legal fees paid in connection with the issuance of new Bonds.

### *Amendment of Debt to Equity Ratio*

In its current form, the Indenture states that the Debt to Equity Ratio (which is calculated as the Equity of the Consolidated Group divided by the outstanding principal amount of all issued non-current interest-bearing liabilities plus current interest-bearing liabilities of the Consolidated Group) shall not be less than one (1). However, the Company believes that an amendment to the Debt to Equity Ratio of not less than thirty-four hundredths (0.34), would be more consistent with similar companies in the renewable energy sector such as Northland Power, Innergex Renewable Energy and Boralex Inc. Additionally, the amendment will allow the Company to increase the number of Bonds it may issue under the Indenture and utilise the funds to increase its investment portfolio.

The full text of the Second Supplemental Indenture is set out in Exhibit B to this Circular.

### **Considerations Relevant to the Evaluation of the Amendments**

Bondholders should consider the following factors, among others, in making a decision whether to vote in favour of the Extraordinary Resolution: (a) the Amendments will revise certain financial covenants agreed to by the Company with respect to the Indenture, which may impact the risk profile of the Bonds; (b) if the Amendments are approved they will be binding on all Bondholders, whether or not a Bondholder voted for or against the Extraordinary Resolution or not at all; and (c) there is no assurance that the Second Supplemental Indenture will be executed and become effective even if the Extraordinary Resolution is approved by the Bondholders.

In addition, Bondholders should be aware that the business and operations of the Company are subject to risks, including, without limitation, those risks identified in the Company’s Annual Information Form dated May 2, 2022 and other filings of the Company filed with the securities regulatory authorities that have been filed on SEDAR and are available electronically at [www.sedar.com](http://www.sedar.com).

### **Recommendation of the Board**

The voting members of the Board have concluded that the Amendments are in the best interests of the Company and, as such, have authorized submission of this Circular and the Amendments to Bondholders for approval. The voting members of the Board unanimously recommend that Bondholders vote ***FOR*** the Amendments.

### **Requisite Approval**

Each holder of Series-1 2020 Green Bonds will have one vote in respect of each \$1,000 principal amount of Bonds that such Bondholder holds as of the Record Date. The holder of the Series 2 Green Bonds will have one vote in respect of each \$1,000 principal amount of Bonds that such Bondholder holds as of the Record Date. To be passed at the Meetings, the Extraordinary Resolution must be approved, subject to the terms of the Indenture, by the affirmative vote of not less than 66<sup>2</sup>/3% of the votes of each series of Bondholders present or represented by proxy at each Meeting and voted on a poll upon the Extraordinary Resolution, voting as a series. The full text of the Extraordinary Resolution is attached as Exhibit A to this Circular.

### **Quorum at the Meetings**

Two or more Bondholders present in person or by proxy and representing more than 50% of the total principal amount of each series of Bonds outstanding will constitute a quorum for each Meeting. In the absence of a quorum, the Meetings may be adjourned in accordance with the Indenture.

## **Conditions**

The entering into of the Second Supplemental Indenture to give effect to the Amendments is subject to the following conditions: (a) the requisite approval of the Extraordinary Resolution being obtained at the Meetings, and (b) the absence of any law or regulation, and the absence of any injunction or action or other proceeding (actual, pending or threatened), that (in the case of any injunction, action or proceeding if adversely determined) would make unlawful or invalid or enjoin the implementation of the Second Supplemental Indenture and the Amendments contemplated thereby. The Company reserves the right, subject to applicable law, to waive the condition in (b) above.

In addition, the Extraordinary Resolution authorizes the Company, without further notice to or approval of the Bondholders, to not enter into the Second Supplemental Indenture at its sole discretion. Furthermore, the Company reserves the right to cancel, postpone or adjourn the Meetings or modify the matters to be considered thereat at any time prior to commencement of the Meetings.

## **Effective Date**

As soon as practical following approval of the Extraordinary Resolution at the Meeting, and the satisfaction or waiver of the other conditions listed above, and in compliance with the conditions contained in the Indenture, assuming the Company does not exercise its discretion not to enter into the Second Supplemental Indenture, the Company and the Trustee will execute and deliver the Second Supplemental Indenture. On the Effective Date, the Second Supplemental Indenture will be binding upon all Bondholders, regardless of whether any such Bondholder voted for or against the Extraordinary Resolution by proxy or otherwise or did not vote at all.

## **Date and Time of the Meetings**

The Series 1 Bondholder Meeting will be held at the Company's offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 11:00 a.m. (Vancouver time) on October 19, 2022.

The Series 2 Bondholder Meeting will be held at the Company's offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 10:00 a.m. (Vancouver time) on October 19, 2022.

**Notwithstanding the foregoing, the Company may, at its option, at any time prior to the Meetings, cancel or postpone the Meetings or modify the matters to be considered thereat. In addition, to the extent that the Meetings are held and a quorum is not present at the commencement of the Meetings, the Meetings may be adjourned in accordance with the Indenture.**

## **Record Date**

The Board has fixed the Record Date (being 5:00 p.m. (Vancouver time) on September **19**, 2022) for the purposes of determining the Bondholders entitled to receive notice of and to vote at the Meetings.

## **Procedures for Voting**

### ***Registered Bondholders***

If you are a registered Bondholder, you may vote in person at the applicable Meeting or you may appoint another person to represent you as your proxyholder to vote your Bonds on your behalf. If you wish to attend the applicable Meeting **do not** complete or return the enclosed Proxy Form because you will vote in person at the applicable Meeting. Please register with the Tabulation Agent when you arrive at the applicable Meeting. The Proxy Form delivered with this Circular provides a means for a registered Bondholder to vote FOR or AGAINST the Extraordinary Resolution at the applicable Meeting. The Proxy Form further provides in the event that no instructions as to voting have been made by a Bondholder to vote for or against the Extraordinary Resolution in respect of particular Bonds for which the proxy has been returned, the Bonds represented by proxies in favour of management's nominees will be voted FOR the Extraordinary Resolution.

### ***Appointment of Bondholder Proxies***

If you are a registered Bondholder and do not wish to, or are unable to, attend the applicable Meeting, you can exercise your right to vote by completing, signing and returning a Proxy Form for the Bonds to the Tabulation Agent by email to [voteproxy@capitaltransferagency.com](mailto:voteproxy@capitaltransferagency.com), or mail or delivery in person to Capital Transfer Agency, 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2, in each case so as to ensure that the applicable Proxy Form arrives not later than 10:00 a.m. (Vancouver Time), on October 17, 2022 or, if a Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned Meeting.

The individuals named in the enclosed Proxy Form are representatives of the Company or its affiliates. You have the right to appoint someone else to represent you at the applicable Meeting and may do so by striking out the names of the persons named in the Proxy Form for the applicable Meeting and inserting that other person's name in the blank space provided in the Proxy Form. The person you appoint to represent you at the applicable Meeting need not be another Bondholder.

#### *Revocation of Proxies*

If you have submitted a Proxy Form and later wish to revoke it, you can do so by:

- (a) completing and signing the applicable Proxy Form bearing a later date and depositing it with the Tabulation Agent as described above prior to the Proxy Cut-Off Time;
- (b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf with the chairman of the applicable Meeting before the Meeting starts on the day of the Meeting or any adjournment thereof; or
- (c) following any other procedure that is permitted by law.

**Only registered Bondholders have the right to revoke a Proxy Form. Beneficial Bondholders who wish to change their vote must make appropriate arrangements with their brokers or other intermediaries. See "Beneficial Bondholders".**

#### *Beneficial Bondholders*

Certain Bonds have been registered in the name of CDS. CDS, or its duly appointed proxyholders, may only vote the Bonds in accordance with instructions received from the beneficial Bondholders. Beneficial Bondholders as of the Record Date wishing to vote their Bonds at the applicable Meeting must provide instructions to their CDS Participant in sufficient time (as determined by their broker or other intermediary through which they hold their Bonds), prior to the Proxy Cut-Off Time (the deadline for depositing proxies for the applicable Meeting), as to how to vote their Bonds as part of the Meeting.

A beneficial Bondholder as of the Record Date is entitled to direct how the Bonds beneficially owned by such holder are to be voted at the applicable Meeting. Every CDS Participant has its own mailing procedures and provides its own return instructions. Beneficial Bondholders who wish to submit a proxy prior to the Proxy Cut-Off Time must carefully follow the procedures and instructions received from their CDS Participant and contact their CDS Participant if they need assistance. Such CDS Participants may set deadlines for the return of forms of proxy that are in advance of the Proxy Cut-Off Time.

Only registered Bondholders, or their duly appointed proxyholders, are permitted to attend and vote at the Meetings or to appoint or revoke a proxy. If you are a beneficial owner, you are entitled to: (i) direct how the Bonds beneficially owned by you are to be voted, or (ii) obtain a legal Proxy Form that will entitle you to attend and vote at the Meetings.

Applicable Canadian securities laws require the Company to forward meeting materials to depositories and other intermediaries for onward distribution to beneficial owners who have not waived their right to receive such materials and to seek voting instructions from such beneficial Bondholders in advance of the Meetings. Typically, intermediaries will use a service company (such as Broadridge Financial Solutions, Inc.) to forward the meeting materials to, and to obtain voting instructions from, beneficial owners.

If you are a beneficial Bondholder, you will receive either a voting instruction form or a Proxy Form with your meeting materials. The purpose of these documents is to permit you to direct the voting of the Bonds you beneficially own. Every broker and other intermediary have their own mailing procedures and provide their own return instructions. You should follow the

instructions on the document you receive from your broker or other intermediary, depending on what type of document you receive.

The Company and the Tabulation Agent reserve the right to waive the Proxy Cut-Off Time and accept and treat as valid those proxies received after the Proxy Cut-Off Time for the purpose of the Meetings.

**Tabulation Agent**

Capital Transfer Agency has been retained by the Company to act as Tabulation Agent in connection with the Meetings.

**Additional Information**

Additional copies of this Circular and related materials may be obtained without charge on request from the Company. Copies of this Circular and related materials may also be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## INFORMATION CONCERNING THE COMPANY

The Company acquires revenue-based royalties from renewable energy projects by providing non-dilutive royalty financing solutions to privately-held and publicly-traded companies in the renewable energy generation, storage and energy efficiency sector. The Company's business objective is to acquire a portfolio of long-term, stable, and diversified royalty streams and interest income from renewable energy projects and to provide shareholders with capital appreciation and a growing, sustainable, long-term cash distribution over time. The head office of the Company is located at 14th Floor, 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1.

Additional information about the Company is set out in its continuous disclosure documents, including its Annual Information Form dated May 2, 2022, and the financial statements of the Company and the related management's discussion and analysis. These documents, along with other filings, may be accessed through SEDAR at [www.sedar.com](http://www.sedar.com) or obtained upon written request to the Investor Relations department at 14th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1 at telephone number: 778-374-2000 or fax number 604-681-2741.

## THE AMENDMENTS

The Meetings have been called to consider and, if determined advisable, pass, with or without amendment, the Extraordinary Resolution. In approving the Extraordinary Resolution, the Bondholders will be, among other things, authorizing and approving certain amendments to the Indenture (the "**Amendments**"), and authorizing the Company and the Trustee to thereafter execute and deliver the Second Supplemental Indenture to give effect to the Amendments and to take such actions and to execute and deliver such documents as may be necessary to carry out the intent of the Extraordinary Resolution.

The Amendments provide that (a) the definition of "Adjusted EBITDA" is to be amended as it currently appears in the Indenture, so that it is no longer decreased by net profits of Affiliates and any other profits in respect of investments which are accounted for on an equity basis; (b) the definition of "Debt Coverage Ratio" is to be amended to exclude interest expense on Bonds for which the outstanding principal amount has not yet been utilized to finance projects in accordance with the Company's Green Bond Framework (as defined in the Second Supplemental Indenture); (c) the definition of "Total Interest Expense" is to be amended to specify that the accretion or amortization of capitalized financing or transaction costs are to be excluded from the definition; and (d) the Debt to Equity Ratio covenant in the Indenture is to be amended so that the Debt to Equity Ratio shall not be less than thirty-four hundredths (0.34), revised from a ratio of not less than one (1).

The full text of the Second Supplemental Indenture, is set out in Exhibit B to this Circular.

### **Rationale for the Amendments**

#### *Amendment of the definition of Adjusted EBITDA*

The proposed amendment of the definition of Adjusted EBITDA will permit the inclusion of income from projects in which the Company has co-invested through an investment vehicle, such as the Company's mezzanine financing agreement with Outagamie Clean Energy Partners, in which the Company has invested through a co-investment vehicle structured as a limited liability company in which the Company holds an equity interest of approximately 97%. Such co-investments are accounted for on an equity basis. As Adjusted EBITDA impacts the Debt Coverage Ratio calculation described in the Indenture, the amendment will allow the Company to include such co-investment income towards maintaining its covenant with respect to maintaining a Debt Coverage Ratio of not less than one hundred and ten percent (110%).

#### *Amendment of the definition of Debt Coverage Ratio*

The proposed amendment to the definition of Debt Coverage Ratio will exclude the interest expense on the principal amount of newly issued Bonds, of which funds have not yet been invested. Currently, the issuance of new Bonds will immediately impact the Debt Coverage Ratio. However, the funds from such Bonds will not begin to generate earnings in the form of royalties or interest, until the capital has been deployed as investments in accordance with the Company's Green Bond Framework. As a result, the Company may have difficulty maintaining its covenant with respect to the Debt Coverage Ratio for the period immediately following the issuance of Bonds and prior to the deployment of such capital. The intention of the Debt Coverage Ratio is to ensure the Company generates sufficient earnings to service its debt on an ongoing basis. Accordingly, the amendment of the definition will allow the Company to maintain a Debt Coverage Ratio with respect to the

Bonds for which the principal amount has been invested and is generating earnings, which is consistent with the intention of the covenant.

*Definition of Total Interest Expense*

The “Total Interest Expense” definition, as it appears in the Indenture, does not currently specify that financing expenses are to be excluded from the “Total Interest Expense”, which is used to determine the Debt Coverage Ratio. The Company believes that the amendment to this definition will clarify the intention that the Debt Coverage Ratio excludes the issuance expenses paid from the Bonds’ principal amount, such as agent commissions, agent warrants and legal fees paid in connection with the issuance of new Bonds.

*Amendment of Debt to Equity Ratio*

In its current form, the Indenture states that the Debt to Equity Ratio (which is calculated as the Equity of the Consolidated Group divided by the outstanding principal amount of all issued non-current interest-bearing liabilities plus current interest-bearing liabilities of the Consolidated Group) shall not be less than one (1). However, the Company believes that an amendment to the Debt to Equity Ratio of not less than thirty-four hundredths (0.34), would be more consistent with similar companies in the renewable energy sector such as Northland Power, Innergex Renewable Energy and Boralex Inc industry standards. Additionally, the amendment will allow the Company to increase the number of Bonds it may issue under the Indenture and increase its investment portfolio.

**Provisions of the Indenture Relating to Bondholder Approvals**

Section 14.1.1.8 of the Indenture provides that at a meeting of Bondholders, the Bondholders shall have the power, exercisable by “Extraordinary Resolution”, to, among other things, modify, amend or eliminate any of the terms of the Indenture if approved by the Bondholders in the manner provided for in Section 9.9.1.1, which requires an Extraordinary Resolution.

Section 9.11 of the Indenture provides that an “Extraordinary Resolution” passed at a meeting of Bondholders or by an instrument in writing in lieu of a meeting of Bondholders, each in accordance with the provisions contained in the Indenture, shall, subject to the requirements contained in the Indenture, be binding upon all Bondholders, whether or not present at such meeting, and each and every Bondholder and the Trustee shall be bound by such Extraordinary Resolution.

An “Extraordinary Resolution” means, for any series of Bonds, a resolution passed as an Extraordinary Resolution by the affirmative votes of the holders of not less than 66 2/3%, of the outstanding aggregate principal amount of such series of Bonds represented and voting on a poll at a meeting of Bondholders of that series duly convened and held in accordance with the provisions of the Indenture, or an instrument in writing signed in accordance with Section 9.10 of the Indenture.

Accordingly, approval of the Amendments requires approval of the Extraordinary Resolution by each of the holders of Series-1 2020 Green Bonds and Series 2 Green Bonds at the Meetings.

**Requisite Majority**

The table below identifies the outstanding series of Series-1 2020 Green Bonds and Series 2 Green Bonds that are subject to the matters to be considered at the Meetings:

<b>Series</b>	<b>Principal Amount</b>	<b>CUSIP</b>
Series 1-2020 Green Bonds	\$5,452,000	75527QAA6
Series 1-2020 Green Bonds	\$2,066,000	75527QAB4
Series 1-2020 Green Bonds	\$2,284,000	75527QAC2

Series 1-2020 Green Bonds	\$364,000	75527QAD0
Series 2 Green Bonds	\$5,166,000	75527QAE8
Series 2 Green Bonds	US\$4,000,000	75527QAF5

For the Extraordinary Resolution to be adopted in accordance with the provisions of the Indenture, it must be approved by the holders of not less than 66 2/3 % of the principal amount of the Series 1-2020 Green Bonds and Series 2 Green Bonds, present in person or represented by proxy at the Meetings and entitled to vote on the Extraordinary Resolution, voting as a series (the “**Requisite Majority**”).

Under the Indenture, if, at the Meetings, the holders of not less than 50% in principal amount of a series of Bonds outstanding are not present in person or by proxy within 30 minutes after the time fixed for the applicable Meeting, then the Meeting shall be adjourned to a place and upon a date fixed by the Trustee, which will give at least 14 days’ notice of the date, time and location to which such meeting is adjourned. At the adjourned Meeting, the Bondholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote shall be an “Extraordinary Resolution” within the meaning of the Indenture, notwithstanding that the holders of not less than 50% in principal amount of the Bonds then outstanding are not present in person or by proxy at such adjourned Meeting. A Proxy Form delivered for the Meetings shall be effective at any adjourned Meeting, unless revoked prior to such adjourned Meeting.

#### **Conditions**

The entering into of the Second Supplemental Indenture to give effect to the Amendments is subject to the following conditions: (a) the requisite approval of the Extraordinary Resolution being obtained at the Meetings, and (b) the absence of any law or regulation, and the absence of any injunction or action or other proceeding (actual, pending or threatened), that (in the case of any injunction, action or proceeding if adversely determined) would make unlawful or invalid or enjoin the implementation of the Second Supplemental Indenture and the Amendments contemplated thereby. The Company reserves the right, subject to applicable law, to waive the condition in (b) above.

In addition, the Extraordinary Resolution authorizes the Company, without further notice to or approval of the Bondholders, to not enter into the Second Supplemental Indenture at its sole discretion. Furthermore, the Company reserves the right to cancel, postpone or adjourn the Meetings or modify the matters to be considered thereat at any time prior to commencement of the Meetings.

#### **Effective Date**

As soon as practical following approval of the Extraordinary Resolution at the Meetings and the satisfaction or waiver of the other conditions listed above, and in compliance with the conditions contained in the Indenture, assuming the Company does not exercise its discretion not to enter into the Second Supplemental Indenture, the Company and the Trustee will execute and deliver the Second Supplemental Indenture. On the Effective Date, the Second Supplemental Indenture will be binding upon all Bondholders, regardless of whether any such Bondholder voted for or against the Extraordinary Resolution by proxy or otherwise or did not vote at all.

#### **Considerations Relevant to the Evaluation of the Amendments**

Bondholders should consider the following factors, among others, in making a decision whether to vote in favour of the Extraordinary Resolution.

*If the Amendments are approved, they will be binding on all Bondholders, whether or not a Bondholder voted for or against the Extraordinary Resolution or validly delivered a proxy*

If the Extraordinary Resolution is approved at the Meetings and all other conditions listed in this Circular are satisfied or waived, assuming the Company does not exercise its discretion not to enter into the Second Supplemental Indenture, the Company and the Trustee will execute and deliver the Second Supplemental Indenture and the Amendments will become binding on all Bondholders. Therefore, all Bondholders will be subject to the Amendments and the Second Supplemental Indenture, even if they voted against the Extraordinary Resolution at the Meetings or did not authorize or direct their CDS Participant to vote on the Extraordinary Resolution.

*There is no assurance that the Second Supplemental Indenture will be executed and become effective even if the Extraordinary Resolution is approved by Bondholders*

The entering into of the Second Supplemental Indenture to give effect to the Amendments is dependent upon satisfaction or waiver of a number of conditions, and there can be no certainty, nor can the Company provide any assurance, that all conditions to the entering into of the Second Supplemental Indenture will be satisfied or waived. Furthermore, even if the Extraordinary Resolution is approved by Bondholders, the Extraordinary Resolution authorizes the Company to determine, in its sole discretion, not to enter into the Second Supplemental Indenture.

#### *Risks relating to the Company*

Bondholders should be aware that the business and operations of the Company are subject to risks, including, without limitation, those risks identified in the Company's Annual Information Form dated May 2, 2022 and other filings of the Company filed with the securities regulatory authorities that have been filed on SEDAR and are available electronically at [www.sedar.com](http://www.sedar.com).

### **BUSINESS TO BE CONDUCTED AT THE MEETINGS**

The Meetings have been called to consider and, if determined advisable, pass, with or without amendment, the Extraordinary Resolution.

### **GENERAL INFORMATION REGARDING THE MEETING**

#### **Solicitation of Proxies**

This Circular is furnished in connection with the solicitation by management of proxies to be used at the Meetings to be held on October 19, 2022 at the time and for the purposes set forth in the applicable Notice of Meeting. In addition to the solicitation of proxies by mail, officers, directors and regular employees of the Company may, without additional compensation, solicit such proxies on behalf of management personally, or by telephone, fax or other electronic means. The Company will bear the cost in respect of the solicitation of proxies for the Meetings and will bear the legal, printing and other costs associated with the preparation of this Circular.

Copies of the proxy-related materials will be sent to all Bondholders. The Company will be delivering proxy-related materials directly to non-objecting beneficial holders of Bonds with the assistance of Broadridge Investor Communications Solutions, Canada and intends to pay for intermediaries to deliver proxy-related materials to objecting beneficial holders of Bonds.

#### **Exercise of Vote by Proxy**

Each holder of Series 1-2020 Green Bonds will have one vote in respect of each \$1,000 principal amount of Series 1-2020 Green Bonds that such Bondholder holds as of the Record Date. Each holder of Series 2 Green Bonds will have one vote in respect of each \$1,000 principal amount of Series 2 Green Bonds that such Bondholder holds as of the Record Date. Votes may be cast FOR or AGAINST the Extraordinary Resolution.

**The Bonds represented by the accompanying Proxy Form will be voted FOR or AGAINST the Extraordinary Resolution in accordance with the instructions of the Bondholder as specified in the proxy. In the event that no**

**instructions as to voting have been made by a Bondholder to vote for or against the Extraordinary Resolution in respect of particular Bonds for which the proxy has been returned, the Bonds represented by proxies in favour of management's nominees will be voted FOR the Extraordinary Resolution.**

The accompanying Proxy Form, when properly completed and signed, confers discretionary authority upon the proxyholder(s) named therein with respect to amendments to or variations of matters identified in the applicable Notice of Meeting and with respect to any matters that may properly come before the Meetings. Management of the Company presently knows of no such amendments, variations or other matters which may come before the Meetings other than those referred to in the applicable Notice of Meeting. **If any such amendment, variation or other matter properly comes before a Meeting, it is the intention of the persons named in the enclosed proxy to vote on such amendment, variation or other matter in accordance with their judgement.**

Beneficial Bondholders who have authorized and directed their CDS Participant to submit a proxy will be deemed to have appointed one of the persons identified in the Proxy Form as its proxyholder to attend, vote and act on behalf of such Bondholder in respect of any matter that may come before the applicable Meeting, including to vote the Bonds held by such Bondholder FOR (if such Bondholder has consented) or AGAINST (if such Bondholder has withheld its consent) the Extraordinary Resolution. No other action is required by such Bondholder to participate and vote at the applicable Meeting.

The Company and the Tabulation Agent reserve the right to waive the Proxy Cut-Off Time and accept and treat as valid those proxies received after the Proxy Cut-Off Time for the purpose of the Meetings.

### **Beneficial Bondholders**

Only registered Bondholders as of the close of business on the Record Date (being 5:00 p.m. (Vancouver time) on September 19, 2022) or the persons they appoint as their proxyholders are permitted to vote at the Meeting. However, certain beneficial Bondholders do not hold their Bonds in their own name but through a CDS Participant.

Every CDS Participant has its own mailing procedures and provides its own return instructions. Beneficial Bondholders who wish to vote their Bonds at the applicable Meeting must carefully follow the procedures and instructions received from their CDS Participant and contact their CDS Participant if they need assistance. Such CDS Participant may set deadlines for the return of forms of proxy that are well in advance of the Proxy Cut-Off Time.

A proxy for the Meetings will not be valid unless the beneficial Bondholder's CDS Participant, on behalf of such Bondholder, executes the enclosed Proxy Form and it is received by the Tabulation Agent by email, fax, mail or by courier at the addresses noted in this Circular by the Proxy Cut-Off Time.

### **Revocation of Proxies**

If you have submitted a Proxy Form and later wish to revoke it, you can do so by:

- (a) completing and signing the applicable Proxy Form bearing a later date and depositing it with Capital Transfer Agency as described above prior to the Proxy Cut-Off Time;
- (b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf with the chairman of the applicable Meeting before the Meeting starts on the day of the Meeting or any adjournment thereof; or
- (c) following any other procedure that is permitted by law.

**Only registered Bondholders have the right to revoke Proxy Form. Beneficial Bondholders who wish to change their vote must make appropriate arrangements with their brokers or other intermediaries.**

### **Date and Time of the Meetings**

The Series 1 Bondholder Meeting will be held at the Company's offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 11:00 a.m. (Vancouver time) on October 19, 2022, (unless adjourned, postponed or earlier cancelled).

The Series 2 Bondholder Meeting will be held at the Company's offices at 14th Floor 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 at 10:00 a.m. (Vancouver time) on October 19, 2022, (unless adjourned, postponed or earlier cancelled).

**Notwithstanding the foregoing, the Company may, at its option, at any time prior to the Meetings, cancel or postpone the Meetings or modify the matters to be considered thereat. In addition, to the extent that the Meetings are held and a quorum is not present at the commencement of a Meeting, the Meetings may be adjourned in accordance with the Indenture.**

### **Record Date**

The Board of Directors has fixed the Record Date (being 5:00 p.m. (Vancouver time) on September **19**, 2022) for the purposes of determining the Bondholders entitled to receive notice of and to vote at the Meetings.

### **Voting at the Meetings, Quorum and Principal Holders of Voting Securities**

Each holder of Series 1-2020 Green Bonds will have one vote in respect of each \$1,000 principal amount of Series 1-2020 Green Bonds that such Bondholder holds as of the Record Date. The holder of the Series 2 Green Bonds will have one vote in respect of each \$1,000 principal amount of Series 2 Green Bonds as of the Record Date. Any Extraordinary Resolution passed by the affirmative vote of not less than 66<sup>2</sup>/3% of the votes of each series of those Bondholders present or represented by proxy at the Meetings and voted on a poll upon such resolution at the Meetings or any adjournment thereof, voting separately, will, if passed in accordance with the provisions contained in the Indenture, be binding upon all Bondholders, whether or not present at the Meetings.

Capital Transfer Agency will act as the Tabulation Agent for the Meetings. As a result, the Trustee will not be involved in tabulating the results of the Meetings, including verifying the holdings of Bondholders and validating proxies.

#### *Quorum at the Meetings*

Two or more Bondholders present in person or by proxy and representing more than 50% of the total principal amount of each series of Bonds will constitute a quorum for the Meetings. In the absence of a quorum, the Meetings may be adjourned in accordance with the Indenture.

#### *General*

The Proxy Form delivered with this Circular provides a means for a registered Bondholder to vote FOR or AGAINST the Extraordinary Resolution. The Proxy Form further provides that if a registered Bondholder returning the proxy does not specify whether such Bonds are to be voted for or against the Extraordinary Resolution, the proxyholder(s) will vote FOR the Extraordinary Resolution.

### **How to Vote at the Meetings**

Bondholders have two ways to vote at the Meetings:

- by submitting a proxy in advance of the applicable Meeting; or
- during the applicable Meeting by attending the Meeting in person.

#### *Option 1 – Voting by Proxy Registered Bondholders*

Registered Bondholders may give voting instructions in the following manner:

- *Email:* Complete the Proxy Form and return it by email to [voteproxy@capitaltransferagency.com](mailto:voteproxy@capitaltransferagency.com);
- *Mail:* Complete the Proxy Form and return it by mail to Capital Transfer Agency, 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2; or

- *Fax:* Complete the Proxy Form and return it by fax to 416-350-5008 (toll free in Canada and The United States) or 1 (844) 499-4482 (outside of Canada and The United States).

In addition to the above methods, registered Bondholders may vote online using the Tabulation Agent's website. To vote online, please go to: [www.capitaltransferagency.com/voteproxy](http://www.capitaltransferagency.com/voteproxy).

The Tabulation Agent must receive a completed Proxy Form or a vote by email before 10:00 a.m. (Vancouver time) on October 17, 2022. Beneficial Bondholders

A beneficial Bondholder is a non-registered Bondholder who has its Bonds held by a CDS Participant on its behalf. Non-registered Bondholders must instruct their financial intermediary to vote on their behalf or may give their voting instructions as directed by their financial intermediary.

A beneficial Bondholder's CDS Participant must receive its voting instructions with sufficient time for its vote to be processed before 10:00 a.m. (Vancouver time) on October 17, 2022. The Tabulation Agent, will not accept any Proxy Forms from beneficial Bondholders directly.

#### *Option 2 – Voting at the Meetings*

If you are a registered Bondholder, you may vote in person at the Meetings or you may appoint another person to represent you as your proxyholder to vote your Bonds on your behalf. If you wish to attend the Meetings do not complete or return the enclosed Proxy Form because you will vote in person at the Meetings. Please register with the Tabulation Agent when you arrive at the applicable Meeting.

#### *Appointment of a Third Party as Proxy*

The following applies to Bondholders who wish to appoint someone as their proxyholder other than the Company's proxyholders named in the Proxy Form. This includes beneficial Bondholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meetings.

Bondholders who wish to appoint someone other than the Company's proxyholders as their proxyholder to attend and participate at the applicable Meeting as their proxy and vote their Bonds MUST instruct their financial intermediary to submit their Proxy Form, appointing that person as proxyholder.

To appoint someone other than the Company's proxyholders as proxyholder, insert that person's name in the blank space provided in the Proxy Form and follow the instructions for submitting such Proxy Form. This must be completed before registering such proxyholder, which is an additional step to be completed once the Proxy Form has been submitted.

**A beneficial Bondholder who wishes to vote at the applicable Meeting MUST insert its own name in the space provided on the Proxy Form provided by its CDS Participant, follow all of the applicable instructions provided by its intermediary.** By doing so, a beneficial Bondholder instructs its intermediary to appoint it as proxyholder. It is important that non-registered Bondholders comply with the signature and return instructions provided by their intermediary.

#### **Notice to Bondholders in the United States**

This solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Bondholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States' securities laws.

The enforcement by Bondholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is governed by the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Bondholders may not be able to sue a foreign company or its officers or directors

in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Meeting Materials**

Beneficial Bondholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBO’s”. Those beneficial Bondholders who have objected to their intermediary disclosing ownership information about themselves to the Company are referred to as “OBO’s”. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send each Notice of Meeting, this Circular and the Proxy Form (the “**Meeting Materials**”) directly to the NOBO’s and registered Bondholders, and indirectly through intermediaries to the OBO’s. The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

### **Fees and Expenses**

The Company will bear the costs of the Meetings, including the fees and expenses of the Tabulation Agent. The Company will pay the Trustee under the Indenture reasonable and customary compensation for its services in connection with the Meetings, plus reimbursements for its expenses.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as otherwise disclosed in this Circular, no director or executive officer of the Company at any time since the beginning of the Company’s last financial year nor any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted upon at the Meeting.

### **OTHER BUSINESS**

The Board is not aware of any matters intended to come before the Meetings other than those items of business set forth in the applicable Notice of Meeting. If any other matters properly come before a Meeting, it is the intention of the persons named in the Proxy Form to vote in respect of those matters in accordance with their judgment.

### **ADDITIONAL INFORMATION**

Additional copies of this document and related materials may be obtained without charge on request from the Company from the Company’s Investor Relations department at 14th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1 at telephone number: 778-374-2000 or fax number 604-681-2741. Copies of this document and related materials may also be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### **TABULATION AGENT**

The Company has retained Capital Transfer Agency, as Tabulation Agent, in connection with the Meetings. In its capacity as Tabulation Agent, Capital Transfer Agency will be responsible for collecting and tabulating proxies. The Tabulation Agent will receive customary fees for such services and reimbursement from the Company of their reasonable out of pocket expenses. The Company has also agreed to indemnify the Tabulation Agent against certain liabilities.

### **DISCLAIMER**

The Trustee will not be involved in tabulating the results of the Meetings, including verifying the holdings of Bondholders and validating proxies. Further, the Trustee will not be responsible for running the Meetings. Bondholders acknowledge that the Trustee is not liable for any damages incurred in connection with calling, holding and convening the Meetings including, but not limited to, any electronic software or hardware used for conducting the Meetings, and understand and consent to the process for attending and voting at the Meetings as set out in this Circular.

**EXHIBIT A  
RESOLUTION**

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION, THAT:

1. The provisions of the master trust indenture dated as of August 10, 2020, as amended or supplemented from time to time (the “**Indenture**”), between RE Royalties Ltd. (the “**Company**”) and Western Pacific Trust Company (the “**Trustee**”), as trustee, shall be amended (collectively, the “**Amendments**”) pursuant to the terms of a second supplemental indenture (the “**Second Supplemental Indenture**”) substantially in the form attached to the management information circular of the Company dated September 16, 2022. Capitalized terms used but not defined in this resolution have the respective meanings specified in the Indenture.
2. The entering into by the Company and the Trustee of, and the performance of their obligations under, the Second Supplemental Indenture amending the terms of the Indenture to give effect to the Amendments, together with such other amendments to the Indenture that do not require approval of the Debtholders, are hereby authorized and approved.
3. Notwithstanding the passing of this resolution or the passing of similar resolutions, without further notice to, or approval of, the Debtholders, the board of directors of the Company is hereby authorized and empowered to cause the Company not to enter into the Second Supplemental Indenture at its sole discretion.
4. Any two directors or officers of the Company are hereby authorized and directed, for and on behalf of the Company, to execute and deliver, or cause to be executed and delivered, any and all documents, agreements and instruments, including the Second Supplemental Indenture and any amending or replacement certificates for the Debt Securities, and to perform, or cause to be performed, such acts and things, as in such persons’ opinion may be necessary or desirable to give full effect to these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the doing of any such act or thing.
5. The proper officers and authorized signatories of the Trustee are hereby authorized and directed to execute and deliver, or cause to be executed and delivered, any and all documents, agreements and instruments, including the Second Supplemental Indenture and any amending or replacement certificates for the Debt Securities, and to perform, or cause to be performed, such acts and things, as in such persons’ opinion may be necessary or desirable to give full effect to these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the doing of any such act or thing.
6. For the avoidance of any doubt, if this resolution is passed at the meetings (“**Meetings**”) of (i) holders of Series 1-2020 Green Bonds to be held at 11:00 a.m. (Vancouver time) on October 19, 2022, and any adjournment or postponement thereof; and (ii) holders of Series 2 Green Bonds to be held at 10:00 a.m. (Vancouver time) on October 19, 2022, the Trustee is not liable for any damages incurred in connection with calling, holding and convening the Meeting including, but not limited to, any deficiencies with electronic software or hardware used for conducting the Meeting, and any non-compliance with the terms of the Indenture that may be caused as a result of the Meeting being held virtually.

**EXHIBIT B  
SECOND SUPPLEMENTAL  
INDENTURE**

**(please see attached)**

## SECOND SUPPLEMENTAL INDENTURE

This Second Supplemental Indenture is made as of \_\_\_\_\_, 2022 between

**RE ROYALTIES LTD.,**

a corporation incorporated under the laws of British Columbia  
(the “**Issuer**”)

and

**WESTERN PACIFIC TRUST COMPANY,**

a trust company existing under the laws of Canada and duly  
authorized to carry on the business of a trust company in  
British Columbia and Alberta  
(the “**Trustee**”)

### RECITALS

- A. The Issuer and the Trustee executed a Trust Indenture made as of August 10, 2020 between the Issuer and the Trustee, as supplemented by the First Supplemental Indenture made as of December 30, 2021 (as amended, supplemented, modified, restated and replaced from time to time, the “**Indenture**”), providing for the issuance of Debt Securities from time to time;
- B. The Issuer desires to supplement the Indenture by amending and replacing certain terms and provisions contained in the Indenture;
- C. Section 14.1 of the Indenture provides for the creation of indentures supplemental to the Indenture for the purposes of giving effect to any Extraordinary Resolution passed as provided in Article 9 of the Indenture;
- D. The Trustee is authorized and directed to enter into this second supplemental indenture (the “**Second Supplemental Indenture**”) and to hold all rights, interests and benefits contained herein for and on behalf of those persons who are Debtholders issued pursuant to the Indenture as modified by this Second Supplemental Indenture from time to time;
- E. All necessary acts and proceedings have been performed and taken and all necessary resolutions have been passed to authorize the execution and delivery of this Second Supplemental Indenture and to make this Second Supplemental Indenture legal, valid, effective and binding upon each of the Issuer and the Trustee for and on behalf of the Debtholders in accordance with the terms of the Indenture, as amended by this Second Supplemental Indenture; and
- F. The foregoing recitals are made as representations and statements of fact by the Issuer and not by the Trustee.

**FOR VALUE RECEIVED**, the parties agree as follows:

## **SECTION 1– INTERPRETATION**

### **1.1 Meanings in Indenture**

Unless otherwise defined in this Second Supplemental Indenture, all capitalized terms used in this Second Supplemental Indenture shall have the meanings attributed thereto in the Indenture.

### **1.2 Interpretation**

This Second Supplemental Indenture is supplemental to the Indenture and the Indenture will henceforth be read in conjunction with this Second Supplemental Indenture and all the provisions of the Indenture, except only insofar as the same may be inconsistent with the express provisions hereof, will apply and have the same effect as if all the provisions of the Indenture and of this Second Supplemental Indenture were contained in one instrument and the expressions used herein will have the same meaning as is ascribed to the corresponding expressions in the Indenture. On and after the date hereof, each reference to the Indenture, as amended by this Second Supplemental Indenture, “this indenture”, “herein”, “hereby”, and similar references, and each reference to the Indenture in any other agreement, certificate, document or instrument relating thereto, will mean and refer to the Indenture as amended by this Second Supplemental Indenture.

## **SECTION 2– AMENDMENTS**

### **2.1 The Indenture is hereby amended as follows (collectively, the “Amendments”):**

2.1.1 The following defined term shall be added to Section 1.1 in alphabetical order:

“**Green Bond Framework**” means the Green Bond Framework developed by the Company with respect to the Debt Securities, which complies with the Green Bond Principles developed by the International Capital Markets Association (2018), as same may be amended from time to time.”

2.1.2 Section 5.4.1.1 shall be deleted in its entirety and replaced with the following:

“**Adjusted EBITDA**” means, for any period, determined on a consolidated basis, the Company’s Net Income for that period, increased (without duplication) by the sum of:

- (i) Total Interest Expense;
- (ii) Income Tax Expense;
- (iii) Depreciation Expense;
- (iv) losses from extraordinary, unusual or non-recurring items;
- (v) net losses of Affiliates and any other losses in respect of investments which are accounted for on an equity basis;

- (vi) amounts in respect of losses of non-controlling interests, if any;
  - (vii) any other non-cash allowances, reserves or losses which were required to be accrued for a future period;
  - (viii) share-based compensation expense; and
  - (ix) expenses related to issuing debt or equity capital,
- in each case, to the extent that such amounts were included in the calculation of Net Income; and decreased (without duplication) by the sum of:

- (i) income tax credits or reductions in deferred taxes;
- (ii) gains from extraordinary, unusual or non-recurring items;
- (iii) amounts in respect of gains of non-controlling interests, if any; and
- (iv) any other non-cash gains which have been added in determining Net Income,

in each case, to the extent that such amounts were included in the calculation of Net Income for such period;”

2.1.3 Section 5.4.1.7 shall be deleted in its entirety and replaced with the following:

“**Debt Coverage Ratio**” means the ratio, expressed as percentage, on a Consolidated Group basis, of: (A) Adjusted EBITDA over (B) the sum of the Total Interest Expense excluding (i) any interest obligations relating to the Convertible Notes and (ii) interest expense on Debt Securities for which the outstanding principal amount has not yet been utilized to finance projects in accordance with the Company’s Green Bond Framework. For greater certainty, item (B)(ii) is calculated in accordance with the following formula:  $E \times C/P$ , where

E = the Total Interest Expense for any period, excluding any interest obligations relating to the Convertible Notes;

C = the average outstanding principal amount of the Debt Securities that have not yet been utilized (on a first-in-first-out basis) to finance projects in accordance with the Company’s Green Bond Framework and that has been held in cash during such period; and

P = the average outstanding principal amount of Debt Securities during such period;”

2.1.4 Section 5.4.1.22 shall be deleted in its entirety and replaced with the following:

“**Total Interest Expense**” of the Company means, for any period and on a consolidated basis, without duplication, the aggregate amount of contractual interest payments, excluding any accretion or amortization of capitalized financing or transaction costs, expensed by the Company, on account of such period with respect of all Debt outstanding.”

2.1.5 Section 5.4.2 shall be deleted in its entirety and replaced with the following:

“The Debt to Equity Ratio shall not be less than thirty-four hundredths (0.34) at any time while any Debt Securities are outstanding, such ratio to be tested and calculated as of the end of each Fiscal Quarter.”

2.1.6 The Debt Securities issued and outstanding shall be deemed to include the Amendments as set forth herein, without any further action of the Debtholders or surrender or exchange of their Debt Security certificates.

## **SECTION 3 – GENERAL**

### **3.1 Confirmation of Indenture**

The Indenture, as supplemented and amended by this Second Supplemental Indenture, shall and does continue in full force and effect, otherwise unamended, and the Indenture, as so supplemented and amended, together with all the grants created thereby, is hereby ratified and confirmed.

### **3.2 Acceptance**

The Trustee hereby accepts the trusts in this Second Supplemental Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and in accordance with the Indenture.

### **3.3 Governing Law**

This Second Supplemental Indenture is governed by and will be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein and will be treated in all respects as British Columbia contracts.

### **3.4 Further Assurances**

Each of the parties shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and things in connection with this First Supplemental Indenture that the other party may reasonably require for the purposes of giving effect to this First Supplemental Indenture.

### **3.5 Counterparts and Formal Date**

This Second Supplemental Indenture may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear date as of [●], 2022. Execution and/or delivery of an executed signature page to this Second Supplemental Indenture by facsimile or other electronic means or transmission shall be as effective as delivery of a manually signed counterpart of this Second Supplemental Indenture.

**[SIGNATURE PAGE FOLLOWS]**

The parties have executed this Second Supplemental Indenture.

**RE ROYALTIES LTD.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**WESTERN PACIFIC TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title: