NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON OCTOBER 19, 2023

AND

MANAGEMENT INFORMATION CIRCULAR

September 20, 2023

The Board of Directors of Terra Firma Capital Corporation (excluding the Conflicted Director), acting on the unanimous recommendation of the Special Committee, UNANIMOUSLY recommends that Shareholders vote FOR the Arrangement Resolution.

These materials are important and require your immediate attention. They require shareholders of Terra Firma Capital Corporation to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you are a shareholder of Terra Firma Capital Corporation and have any questions regarding the information contained in this management information circular or require assistance in completing your form of proxy, please contact Terra Firma Capital Corporation's transfer agent, Computershare Investors Services Inc., at 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America) or by email at service@computershare.com. Questions on how to complete the letter of transmittal should be directed to Terra Firma Capital Corporation's depositary, Computershare Investor Services Inc., at 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America) or by email at corporateactions@computershare.com.

September 20, 2023

Dear Shareholders,

The board of directors (the "**Board**") of Terra Firma Capital Corporation (the "**Company**") is pleased to invite you to attend a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Shares**") of the Company to approve a transaction in which GM Capital Corp. (the "**Buyer**"), a company controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company, and their respective associates, will acquire all of the issued and outstanding Shares not held by the Buyer (each, a "**Minority Share**") and the holders of Minority Shares (the "**Minority Shareholders**") will receive $7.30 in cash per Share, subject to applicable withholding taxes (the "**Arrangement**"). The Meeting will be held at Blake, Cassels & Graydon LLP, 199 Bay St., Suite 4000, Toronto, Ontario, M5L 1A9 on October 19, 2023 at 11:00 a.m. (Toronto time).

Yours truly,

(Signed) *"Tristan Kingcott"*

Tristan Kingcott
Chair of the Special Committee of the Board of Directors

TERRA FIRMA CAPITAL CORPORATION

Notice of Special Meeting of Shareholders

TAKE NOTICE that a Special Meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Shares**") of TERRA FIRMA CAPITAL CORPORATION (the "**Company**") will be held at Blake, Cassels & Graydon LLP, 199 Bay St., Suite 4000, Toronto, Ontario, on October 19, 2023 at 11:00 a.m. (Toronto time) for the following purposes:

1. TO CONSIDER, pursuant to an interim order of the Ontario Superior Court of Justice (Commercial List) dated September 19, 2023, as same may be amended, modified, supplemented or varied (the "**Interim Order**") and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix "B" to the accompanying management information circular dated September 20, 2023 (the "**Circular**"), and is incorporated by reference herein, to approve a proposed plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**"); and

2. TO TRANSACT such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Specific details of the above items of business are contained in the Circular that accompanies and forms a part of this Notice of Meeting. Shareholders are encouraged to read the Circular carefully when evaluating the matters to be considered at the Meeting.

A registered shareholder (a "**Registered Shareholder**") wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must have deposited his, her or its duly executed form of proxy not later than 11:00 a.m. (Toronto time) on October 17, 2023, or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned or postponed Meeting, at the offices of Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or as otherwise permitted pursuant to the instructions included on such form of proxy.

A form of proxy solicited by the management of the Company in respect of the Meeting is enclosed herewith, together with a copy of the management information circular of the Company relating to the Meeting.

The Meeting will also be audio-cast live at 11:00 a.m. (Toronto time) on October 19, 2023 and will be accessible at 1-855-318-4202 and Access Code: 8632175#. This call will be listen-only and callers will not be able to vote or speak at, or otherwise participate in, the Meeting via the conference call.

WHO TO CONTACT IF YOU HAVE QUESTIONS

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact the Company's transfer agent, Computershare Investor Services Inc., by telephone at 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America) or by email at service@computershare.com. If the Arrangement is completed and you have any questions about depositing your Shares, including with respect to completing the applicable letter of transmittal, please contact Computershare Investor Services Inc., which is acting as depositary under the Arrangement, by telephone at 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America), or by email at corporateactions@computershare.com.

DATED at Toronto, Ontario, this 20th day of September 2023.

By Order of the Board of Directors

(Signed) *"Tristan Kingcott"*
Tristan Kingcott
Chair of the Special Committee of the Board of Directors

TERRA FIRMA

TABLE OF CONTENTS

TERRA FIRMA CAPITAL CORPORATION

MANAGEMENT INFORMATION CIRCULAR

as of September 20, 2023

SPECIAL MEETING OF SHAREHOLDERS, OCTOBER 19, 2023

THIS MANAGEMENT INFORMATION CIRCULAR (THE "CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF TERRA FIRMA CAPITAL CORPORATION (THE "COMPANY") AND THE BUYER (AS DEFINED HEREIN) OF PROXIES FOR USE AT THE SPECIAL MEETING (THE "MEETING") OF THE HOLDERS (THE "SHAREHOLDERS") OF COMMON SHARES (THE "SHARES") OF THE COMPANY TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF THE MEETING (THE "NOTICE") AND AT ANY ADJOURNMENTS OR POSTPONEMENTS THEREOF.

The mailing address of the principal executive office of the Company is 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2. The record date for shareholders of the Company who will be entitled to notice of the Meeting is the close of business on September 18, 2023 (the "**Record Date**"). Registered Shareholders at the close of business on September 18, 2023, will be entitled to one vote for each Share held on each matter submitted to a vote at the Meeting.

Unless otherwise noted or the context otherwise indicates, the "Company", "we", "us" and "our" refer to Terra Firma Capital Corporation. In this Circular, "you" and "your" refer to the Shareholders. The information in this Circular is presented as at September 20, 2023, unless indicated otherwise. All capitalized words and terms used but not otherwise defined in this Circular have the meanings set forth in the Glossary of Terms attached as Appendix "A" to this Circular. Capitalized words and terms used in the Appendices attached to this Circular are defined separately therein.

All information in this Circular relating to the Buyer has been furnished by the Buyer. Although the Company does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Company nor any of its directors or officers (other than Y. Dov Meyer) assumes any responsibility for the accuracy or completeness of such information, or for the failure by the Buyer to disclose events or information that may affect the completeness or accuracy of such information.

Descriptions in this Circular of the terms of the Arrangement Agreement, the Voting Support Agreements, the Plan of Arrangement, the Fairness Opinions and the Interim Order are summaries of the terms of those documents and are qualified in their entirety by such terms. Shareholders should refer to the full text of each of these documents. The full text of the Arrangement Agreement and the Voting Support Agreements may be viewed on SEDAR+ at www.sedarplus.ca. The Plan of Arrangement, the Cormark Fairness Opinion, the MNP Fairness Opinion, and the Interim Order are attached as Appendix "C", Appendix "D", Appendix "E", and Appendix "F", respectively, to this Circular.

This Circular does not constitute the solicitation of an offer to acquire, or an offer to sell, any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation is not authorized or in which the Person making such solicitation is not qualified to do so or to any Person to whom it is unlawful to make such solicitation or offer. The delivery of this Circular does not, under any circumstances, imply or represent that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

INFORMATION CONCERNING THE MEETING

Solicitation of Proxies

The cost of soliciting proxies will be borne by the Company and the Buyer. In addition to solicitation by mail, certain officers and directors of the Company and the Buyer may solicit proxies by telephone or personally at nominal cost. Meeting materials are being mailed to Registered Shareholders through the Company's Transfer Agent and to

Non-Registered Holders through their intermediaries. The Company intends to pay for intermediaries to forward to "objecting beneficial owners" under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* such meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary.*

Submission of Proxies

A registered Shareholder (a "**Registered Shareholder**") wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must have deposited his, her or its duly executed form of proxy not later than 11:00 a.m. (Toronto time) on October 17, 2023, or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned or postponed Meeting, at the offices of Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or as otherwise permitted pursuant to the instructions included on such form of proxy.

Registered Shareholders who wish to attend the Meeting and vote in person should not complete or return the accompanying form of proxy. Such Registered Shareholders should register with Computershare Investor Services Inc. upon arrival at the Meeting and may be asked to present valid picture identification to gain admission to the Meeting.

Manner Proxies Will be Voted

The Shares represented by the properly submitted form of proxy will be voted in favour or against in accordance with the instructions of the Shareholder as indicated on such form on any ballot that may be called for at the Meeting and, where a choice is specified in respect of any matter to be acted upon, the Shares will be voted in favour or against accordingly. **IN THE ABSENCE OF SUCH A SPECIFICATION, SHARES REPRESENTED BY A PROXY WILL BE VOTED IN FAVOUR OR AGAINST IN THE DISCRETION OF THE PERSONS DESIGNATED IN THE PROXY.**

The persons named in the accompanying proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. At the date hereof, the management of the Company knows of no such amendments, variations, or other matters.

Alternate Proxy

Each Shareholder has the right to appoint a person or company other than the person named in the accompanying form of proxy, who need not be a Shareholder, to attend and act for him, her or it and on his, her or its behalf at the Meeting or any adjournment or postponement thereof. Any Shareholder wishing to exercise such right may do so by inserting in the blank space provided in the accompanying form of proxy the name of the person or company whom such Shareholder wishes to appoint as a proxy or by duly completing another proper form of proxy, and duly depositing the same before the specified time.

Revocability of Proxy

A Registered Shareholder giving a proxy has the power to revoke it. Such revocation may be made by the Shareholder attending the Meeting, by the Shareholder duly executing another form of proxy bearing a later date and duly depositing the same before the specified time, or by written instrument revoking such proxy executed by the Shareholder or his, her or its attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the registered office of the Company, 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2 at any time up to and including the last business day preceding the date of the Meeting or any adjournment or postponement thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law. If such written instrument is deposited with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof and after the Meeting has commenced, such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Advice to Non-Registered Holders

Only Registered Shareholders or duly appointed proxy holders are permitted to attend and vote at the Meeting. Most Shareholders of the Company are "non-registered" Shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, or trust corporation through which they purchased the shares. A person is not a registered Shareholder (a "**Non-Registered Holder**") in respect of Shares which are held either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")), of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has distributed copies of the notice of meeting and this management proxy circular (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

(a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder and must be completed, but not signed, by the Non-Registered Holder and deposited with Computershare Investor Services Inc.; or

(b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Non-Registered Holders should submit voting instructions to Intermediaries in sufficient time to ensure that their votes are received from the Intermediaries by the Company.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should insert the Non-Registered Holder's name in the blank space provided in the accompanying form of proxy. Such Non-Registered Holders should register with Computershare Investor Services Inc. upon arrival at the Meeting and may be asked to present valid picture identification and proof of Share ownership to gain admission to the Meeting. Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

A Non-Registered Holder may revoke previously given voting instructions by contacting his, her or its Intermediary and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke voting instructions if it receives insufficient notice of revocation.

Record Date for Notice and Meeting

Only Shareholders of record at the Record Date, being the close of business on September 18, 2023, need to be mailed a notice of the Meeting. A quorum for the transaction of business at any meeting of Shareholders is two persons present in person, each being either a Shareholder entitled to vote thereat or a duly appointed proxy for a Shareholder so entitled. A holder of Shares of record as at the Record Date will be entitled to vote such Shares in person or by proxy at the Meeting (subject in the case of voting by proxy to the timely deposit of his, her or its executed form of proxy with Computershare Investor Services Inc. as specified in the notice of the Meeting).

Dissent Rights

Pursuant to the Interim Order, Registered Shareholders are entitled to dissent in respect of the Arrangement Resolution and to be paid the fair value of their Shares. This dissent right, and the procedures for its exercise, are described in detail in the Circular under the heading "*Dissent Rights of Shareholders*". **Failure to comply strictly with the dissent procedures described in the Circular may result in the loss or unavailability of any right of dissent. Non-registered Holders who wish to dissent should be aware that only Registered Shareholders are**

entitled to dissent. Accordingly, a Non-Registered Holder who desires to exercise rights of dissent must make arrangements for the registered holder of such Shares to dissent on the holder's behalf.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Securities Laws (collectively referred to as "**forward-looking statements**"), including, but not limited to, statements with respect to the rationale of the Special Committee and the Board (excluding the Conflicted Director) for entering into the Arrangement Agreement, the terms and conditions of the Arrangement Agreement, Shareholder and Court approvals, the timing of various steps to be completed in connection with the Arrangement, and other statements that are not material facts. Often but not always, forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "believe", "estimate", "plan", "could", "should", "would", "outlook", "forecast", "anticipate", "foresee", "continue" or the negative of these terms or variations of them or similar terminology.

Forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the failure of the parties to obtain the necessary Shareholder and Court approvals or to otherwise satisfy the conditions to the completion of the Arrangement; failure of the parties to obtain such approvals or satisfy such conditions in a timely manner or at all; significant transaction costs or unknown liabilities; failure to realize the expected benefits of the Arrangement; interest rates and general economic conditions; risks related to tax matters; and other risks and uncertainties identified under "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Reasons for the Recommendations*" and "*Risk Factors*". Failure to obtain the necessary Shareholder and Court approvals, or the failure of the parties to otherwise satisfy the conditions to the completion of the Arrangement or to complete the Arrangement, may result in the Arrangement not being completed on the proposed terms, or at all. In addition, if the Arrangement is not completed, and the Company continues as a publicly traded entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of the Arrangement could have an impact on its business and strategic relationships, operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects. Furthermore, pursuant to the terms of the Arrangement Agreement, the Company may, in certain circumstances, be required to pay the Termination Fee to the Buyer, the result of which could have an adverse effect on its financial position.

Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable Securities Laws.

This list is not exhaustive of the factors that may affect any of the forward-looking statements of the Company. The risks and uncertainties that could affect forward-looking statements are described further under "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Reasons for the Recommendations*" and "*Risk Factors*". Additional risks are further discussed in the Company's annual information form for the year ended December 31, 2022 which is filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

CURRENCY

Unless otherwise stated herein, references to Canadian dollars or "$" are to Canadian currency and references to United States dollars or "US$" are to United States currency. As at September 19, 2023, the rate of exchange for conversion of United States dollars into Canadian dollars, as posted by the Bank of Canada, was US$1.00 equals $1.3426.

QUESTIONS AND ANSWERS ABOUT THE ARRANGEMENT AND THE MEETING

The following questions and answers briefly address some questions you may have regarding the Arrangement and the Meeting. These questions and answers may not address all questions that may be important to you and are qualified in their entirety by the more detailed information contained elsewhere in this Circular, including its Appendices. You are urged to carefully read this entire Circular, including the attached Appendices, and the other documents to which this Circular refers in order for you to understand fully the Arrangement Resolution. All capitalized terms used in the following questions and answers are defined in the Glossary of Terms attached hereto as Appendix "A".

Q: What is the proposed Arrangement?

A: Pursuant to the Arrangement, the Buyer, a company controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company, and their respective associates, will acquire all of the issued and outstanding Shares not held by the Buyer (each, a "**Minority Share**") and the holders of Minority Shares (the "**Minority Shareholders**") will receive $7.30 in cash per Share, subject to applicable withholding taxes. As of the Record Date, there were 5,654,134 Shares issued and outstanding, however a portion of the Shares held by Y. Dov Meyer will be transferred to the Buyer prior to the Effective Time. For more information, see "*The Arrangement*", "*The Arrangement Agreement*" and "*Information Concerning the Company – Description of Share Capital*".

Q: What will I receive for my Shares under the Arrangement?

A: If the Arrangement is completed, each former Minority Shareholder will receive, for each Share, $7.30 in cash, subject to applicable withholding taxes.

Q: What will happen to the Company if the Arrangement is completed?

A: If the Arrangement is completed, each former Minority Shareholder will receive, for each Share, $7.30 in cash, subject to applicable withholding taxes. As a result, upon completion of the Arrangement, the Company will be a wholly-owned subsidiary of the Buyer. In addition, all outstanding Company Options and Company DSUs will be exchanged for cash payment, subject to applicable withholding taxes, in accordance with the terms of the Arrangement and cancelled.

It is expected that the Shares, which are currently listed for trading on the TSXV, will be de-listed from the TSXV following completion of the Arrangement. The Buyer also expects to apply to have the Company cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada.

Q: When do you expect the Arrangement to be completed?

A: Subject to obtaining Court approval as well as the satisfaction or waiver of all other conditions precedent to the Arrangement, if Shareholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in the last quarter of 2023. For more information, see "*The Arrangement Agreement – Conditions of Closing*".

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If this occurs, the Company will continue to carry on as a reporting issuer in the normal and usual course. Upon termination of the Arrangement Agreement prior to consummation of the Arrangement, under certain circumstances, the Company will be required to pay the Buyer a termination fee of $1.3 million. Note that the failure to complete the Arrangement could negatively impact the Share price. For more information, see "*The Arrangement Agreement – Term and Termination*", "*The Arrangement Agreement – Termination Fees*" and "*Risk Factors – Risks Related to the Arrangement – Completion of the Arrangement is Subject*

to the Satisfaction or Waiver of Several Conditions and Failure to Complete the Arrangement Could Negatively Impact the Share Price".

Q: Does the Special Committee support the Arrangement?

A: Yes. The Special Committee, following careful consideration of, among other things, the Fairness Opinions, the terms and conditions set forth in the Arrangement Agreement, alternatives available to the Company, including maintaining the status quo and alternative transactions, and advice from its financial and legal advisors, unanimously determined that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and unanimously recommended that the Board determine that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and recommend that Shareholders vote **FOR** the Arrangement Resolution. For more information, see "*The Arrangement – Recommendation of the Special Committee*" and "*The Arrangement – Reasons for the Recommendations*".

Q: Does the Board support the Arrangement?

A: Yes. The Board (excluding the Conflicted Director), acting on the unanimous recommendation of the Special Committee and after receiving legal and financial advice, unanimously determined (i) that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates), and (ii) to recommend that Shareholders vote **FOR** the Arrangement Resolution. For more information, see "*The Arrangement – Recommendation of the Special Committee*", "*The Arrangement – Recommendation of the Board*" and "*The Arrangement – Reasons for the Recommendations*".

Q: What were the Special Committee's and Board's reasons for recommending the Arrangement?

A: In determining that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates), and in making their respective recommendations, the Special Committee and the Board (excluding the Conflicted Director) considered and relied upon a number of factors, including: (i) the premium the Consideration represents to the market value of the Shares; (ii) the certainty of value and immediate liquidity offered by the Arrangement; (iii) the current and future opportunities facing the Company; (iv) the thorough process undertaken by the Special Committee; (iv) the MNP Fairness Opinion and the Cormark Fairness Opinion, each to the effect that the Consideration to be received by Shareholders (other than the Buyer and its affiliates) is fair, from a financial point of view; (v) the Board's ability, in certain circumstances, to respond to and engage with third parties submitting unsolicited acquisition proposals; (vi) the Arrangement and the Arrangement Agreement being the result of extensive negotiations; (vii) the Arrangement has a reasonable likelihood of completion in a timely manner; and (viii) the Arrangement provides satisfactory procedural fairness to the Shareholders.

In the course of its deliberations, the Special Committee and the Board (excluding the Conflicted Director), in consultation with their legal and financial advisors, also identified and considered a number of potential risks and negative factors relating to the Arrangement. For more information, see "*The Arrangement – Reasons for the Recommendations*" and "*Risk Factors*".

Q: Who has agreed to support the Arrangement?

A: On August 31, 2023, the Buyer entered into Voting Support Agreements with directors who hold Shares (other than the Conflicted Director) and certain Supporting Shareholders (collectively beneficially owning and/or exercising control or direction over, an aggregate of 2,627,552 Shares, which represented approximately 46.5% of the issued and outstanding Shares as of the Record Date). Pursuant to the Voting Support Agreements, such directors and the Supporting Shareholders have agreed, among other things, to vote their Shares **FOR** the Arrangement Resolution.

Q: What are the anticipated Canadian federal income tax consequences to me of the Arrangement?

A: For a summary of certain material Canadian federal income tax consequences of the Arrangement, see *"Certain Canadian Federal Income Tax Considerations"*. **Such summaries are not intended to be legal or tax advice to any particular Shareholder. Tax matters are complicated, and the income tax consequences of the**

Arrangement to you will depend on your particular circumstances. Because individual circumstances may differ, you should consult with your tax advisor as to the specific tax consequences of the Arrangement to you.

Q: What is the vote requirement to pass the Arrangement Resolution?

A: To become effective, the Arrangement Resolution must be approved, with or without variation, by not less than (i) $66^2/_3$% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded in accordance with MI 61-101. For more information, see *"The Arrangement – Certain Legal and Regulatory Matters – Shareholder Approval"*.

Q: What other approvals are required for the Arrangement?

A: In addition to Shareholder Approval, the Arrangement requires Court approval (via the Interim Order and the Final Order). For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Court Approval*".

Q: Do any directors and officers of the Company have any interest in the Arrangement that are different from, or in addition to, those of the Shareholders?

A: In considering the unanimous recommendation of the Board (excluding the Conflicted Director) to vote **FOR** the Arrangement Resolution, Shareholders should be aware that some of the directors and officers of the Company have interests in the Arrangement that are different from, or in addition to, the interests of Shareholders generally. For more information, see "*The Arrangement – Interests of Certain Persons in the Arrangement*" and "*Risk Factors – Risks Related to the Arrangement – Interests of Certain Persons in the Arrangement*".

Q: Where and when is the Meeting?

A: The Meeting will be held at Blake, Cassels & Graydon LLP, 199 Bay St., Suite 4000, Toronto, Ontario, on October 19, 2023 at 11:00 a.m. (Toronto time).

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting and how will votes be counted?

A: All Shareholders as of the close of business on September 18, 2023 are entitled to vote on the Arrangement Resolution at the Meeting. Computershare Investor Services Inc., the Company's transfer agent and registrar, will count the votes.

Q: When is the proxy cut-off?

A: The proxy cut-off is at 11:00 a.m. (Toronto time) on October 17, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays, before any reconvened meeting if the Meeting is adjourned or postponed). The Chair of the Meeting may waive or extend the proxy cut-off without notice.

Q: How do I vote my proxy?

A: A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must have deposited his, her or its duly executed form of proxy not later than 11:00 a.m. (Toronto time) on October 17, 2023, or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned or postponed Meeting, at the offices of Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or as otherwise permitted pursuant to the instructions included on such form of proxy.

Registered Shareholders who wish to attend the Meeting and vote in person should not complete or return the accompanying form of proxy. Such Registered Shareholders should register with Computershare Investor Services Inc. upon arrival at the Meeting and may be asked to present valid picture identification to gain admission to the Meeting.

Only Registered Shareholders or duly appointed proxy holders are permitted to attend and vote at the Meeting. Non-Registered Holders should follow the instructions provided by your Intermediary to ensure your vote is counted at the Meeting.

The Shares represented by the properly submitted form of proxy will be voted in favour or against in accordance with the instructions of the Shareholder as indicated on such form on any ballot that may be called for at the Meeting and, where a choice is specified in respect of any matter to be acted upon, the Shares will be voted in favour or against accordingly. **IN THE ABSENCE OF SUCH A SPECIFICATION, SHARES REPRESENTED BY A PROXY WILL BE VOTED IN FAVOUR OR AGAINST IN THE DISCRETION OF THE PERSONS DESIGNATED IN THE PROXY.**

The persons named in the enclosed proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. At the date hereof, the management of the Company knows of no such amendments, variations, or other matters. For more information, see "*Information Concerning the Meeting – Submission of Proxies*", "*Information Concerning the Meeting – Manner Proxies Will be Voted*" and "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

Q: Can I appoint someone else to vote my proxy?

A: Yes. Each Shareholder has the right to appoint a person or company other than the person named in the accompanying form of proxy, who need not be a Shareholder, to attend and act for him, her or it and on his, her or its behalf at the Meeting or any adjournment or postponement thereof. Any Shareholder wishing to exercise such right may do so by inserting in the blank space provided in the accompanying form of proxy the name of the person or company whom such shareholder wishes to appoint as a proxy or by duly completing another proper form of proxy, and duly depositing the same before the specified time.

For more information, see "*Information Concerning the Meeting – Alternate Proxy*".

Q: Can I revoke my proxy after I have submitted it?

A: Yes. A Registered Shareholder giving a proxy has the power to revoke it. Such revocation may be made by the Shareholder attending the Meeting, by the Shareholder duly executing another form of proxy bearing a later date and duly depositing the same before the specified time, or by written instrument revoking such proxy executed by the Shareholder or his, her or its attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the registered office of the Company, 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2 at any time up to and including the last business day preceding the date of the Meeting or any adjournment or postponement thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law. If such written instrument is deposited with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof and after the Meeting has commenced, such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Non-Registered Holders who wish to change their vote must make appropriate arrangements with their Intermediary and may revoke such voting instructions by following the instructions of such Intermediary. However, an Intermediary may be unable to take any action on the revocation if such revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof. For more information, see "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

Q: How do I vote if my Shares are held through an Intermediary/broker account?

A: An Intermediary will vote the Shares held by you only if you provide instructions to them on how to vote. Without instructions, your Shares will not be voted. Every Intermediary has its own mailing procedures and provides

its own return instruction, which you should carefully follow in order to ensure that your Shares are voted at the Meeting. For more information, see "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

Q: Who can help answer my questions?

A: If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact the Company's transfer agent, Computershare Investor Services Inc., by telephone at 1-800-564-6253 (within North America) or 1-514-982-7555 (outside North America), or by e-mail at service@computershare.com.

SUMMARY

The following is a summary of certain information contained in this Circular, including its Appendices. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular, including its Appendices. Certain capitalized terms used in this summary are defined in the Glossary of Terms attached hereto as Appendix "A". Shareholders are urged to read this Circular and its Appendices carefully and in their entirety.

Meeting and Record Date

The meeting will be held at Blake, Cassels & Graydon LLP, 199 Bay St., Suite 4000, Toronto, Ontario, on October 19, 2023 at 11:00 a.m. (Toronto time). All Shareholders as of the close of business on September 18, 2023 are entitled to vote on the Arrangement Resolution at the Meeting.

Purpose of the Meeting

The purpose of the Meeting is for Shareholders (i) to consider, pursuant to the Interim Order, and to vote on, with or without variation, the Arrangement Resolution, and (ii) to transact such other business as may properly be brought before the Meeting.

Effect of the Arrangement

If the Arrangement is completed, each former Minority Shareholder will receive, for each Share, $7.30 in cash, subject to applicable withholding taxes. As a result, upon completion of the Arrangement, the Company will be a wholly-owned subsidiary of the Buyer. In addition, all outstanding Company Options and Company DSUs will be exchanged for cash payment, subject to applicable withholding taxes, in accordance with the terms of the Arrangement and cancelled.

It is expected that the Shares, which are currently listed for trading on the TSXV, will be de-listed from the TSXV following completion of the Arrangement. The Buyer also expects to apply to have the Company cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada.

The Parties

The Company is a Canadian corporation incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**"). Its head office and registered office is located at 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2. The Shares are posted and listed for trading on TSXV under the symbol "TII". For more information, see "*Information Concerning the Company*".

The Buyer is a corporation formed under the OBCA, with its registered office at 102 Prue Avenue, Toronto, Ontario, M6B 1R5. The Buyer is controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company, and their respective associates.

Background to the Arrangement

See "*The Arrangement – Background to the Arrangement*" for a summary of the main events that led to the execution of the Arrangement Agreement and certain meetings, negotiations, discussions and actions of the parties that preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement.

Recommendation of the Special Committee

The Special Committee, following careful consideration of, among other things, the Fairness Opinions, the terms and conditions set forth in the Arrangement Agreement, alternatives available to the Company, including maintaining the status quo and alternative transactions, and advice from its financial and legal advisors, unanimously determined that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and unanimously recommended that the Board determine that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and recommend that Shareholders vote **FOR** the Arrangement Resolution. For more information, see "*The Arrangement – Recommendation of the Special Committee*" and "*The Arrangement – Reasons for the Recommendations*".

The Special Committee was mandated to, among other things, review and evaluate potential strategic alternatives for the Company, including among other potential alternatives, a sale of the Company. The Special Committee was responsible for reviewing, evaluating and negotiating the terms of proposals received from the Buyer and other parties, making recommendations to the Board in respect of such proposals, and negotiating the terms of the Arrangement.

Recommendation of the Board

The Board (excluding the Conflicted Director), acting on the unanimous recommendation of the Special Committee and after receiving legal and financial advice, unanimously determined (i) that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates), and (ii) to recommend that Shareholders vote **FOR** the Arrangement Resolution. For more information, see "*The Arrangement – Recommendation of the Special Committee*", "*The Arrangement – Recommendation of the Board*" and "*The Arrangement – Reasons for the Recommendations*".

Reasons for the Recommendations

In determining that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates), and in making their respective recommendations, the Special Committee and the Board (excluding the Conflicted Director) considered and relied upon a number of factors, including: (i) the premium the Consideration represents to the market value of the Shares; (ii) the certainty of value and immediate liquidity offered by the Arrangement; (iii) the current and future opportunities facing the Company; (iv) the thorough process undertaken by the Special Committee; (iv) the MNP Fairness Opinion and the Cormark Fairness Opinion, each to the effect that the Consideration to be received by Shareholders (other than the Buyer and its affiliates) is fair, from a financial point of view; (v) the Board's ability, in certain circumstances, to respond to and engage with third parties submitting unsolicited acquisition proposals; (vi) the Arrangement and the Arrangement Agreement being the result of extensive negotiations; (vii) the Arrangement has a reasonable likelihood of completion in a timely manner; and (viii) the Arrangement provides satisfactory procedural fairness to the Shareholders.

In the course of its deliberations, the Special Committee and the Board (excluding the Conflicted Director), in consultation with their legal and financial advisors, also identified and considered a number of potential risks and negative factors relating to the Arrangement. For more information, see "*The Arrangement – Reasons for the Recommendations*" and "*Risk Factors*".

Cormark Fairness Opinion

Cormark Securities was retained by the Special Committee to deliver an opinion as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement. On August 29, 2023, Cormark Securities delivered a presentation in respect of its analysis of the fairness of the Arrangement at a meeting of the Special Committee, subject to final drafts of the transaction documents. Subsequently, on August 31, 2023, Cormark Securities delivered its formal opinion orally to the Special Committee and the Board (subsequently confirmed in writing) that subject to the assumptions, limitations and qualifications set forth in the Cormark Fairness Opinion, it was of the opinion that, as of August 31, 2023, the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

The full text of the Cormark Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Cormark Fairness Opinion, is attached as Appendix "D". The summary of the Cormark Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Cormark Fairness Opinion.

The Cormark Fairness Opinion was provided for the exclusive use of the Special Committee in considering the Arrangement. The Cormark Fairness Opinion expressed no view as to, and its opinion did not address, the relative merits of the Arrangement as compared to any other transactions or business strategies that may be available to the Company as alternatives to the Arrangement or the decision of the Special Committee or the Board to proceed with the Arrangement. The Cormark Fairness Opinion was not intended to be, and did not constitute, a recommendation to the Special Committee or the Board, or a recommendation to any Shareholder as to how to vote or act on any matter relating to the Arrangement. The Cormark Fairness Opinion is only one of the factors that was taken into consideration

by the Special Committee and the Board in making their respective determinations. Shareholders are urged to read the Cormark Fairness Opinion carefully and in its entirety. For more information, see "*The Arrangement – Cormark Fairness Opinion*" and Appendix "D".

MNP Fairness Opinion

MNP was retained by the Special Committee to deliver an opinion as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement. On August 29, 2023, MNP delivered a presentation in respect of its analysis of the fairness of the Arrangement at a meeting of the Special Committee, subject to final drafts of the transaction documents. Subsequently, on August 31, 2023, MNP delivered its formal opinion orally to the Special Committee and the Board (subsequently confirmed in writing) that subject to the assumptions, limitations and qualifications set forth in the MNP Fairness Opinion, it was of the opinion that, as of August 31, 2023, the Consideration to be received by Shareholders (other than Buyer and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

The full text of the MNP Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the MNP Fairness Opinion, is attached as Appendix "E". The summary of the MNP Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the MNP Fairness Opinion.

The MNP Fairness Opinion was provided for the exclusive use of the Special Committee and the Board (other than the Conflicted Director) in considering the Arrangement. The MNP Fairness Opinion expressed no view as to, and its opinion did not address, the relative merits of the Arrangement as compared to any other transactions or business strategies that may be available to the Company as alternatives to the Arrangement or the decision of the Special Committee or the Board to proceed with the Arrangement. The MNP Fairness Opinion was not intended to be, and did not constitute, a recommendation to the Special Committee or the Board, or a recommendation to any Shareholder as to how to vote or act on any matter relating to the Arrangement. The Special Committee has agreed to pay MNP a fixed fee for its preparation and delivery of the MNP Fairness Opinion. The MNP Fairness Opinion is only one of the factors that was taken into consideration by the Special Committee and the Board in making their respective determinations. Shareholders are urged to read the MNP Fairness Opinion carefully and in its entirety. For more information, see "*The Arrangement – MNP Fairness Opinion*" and Appendix "E".

The Arrangement

The Arrangement will be completed by way of a Court-approved plan of arrangement under the OBCA pursuant to the terms of the Arrangement Agreement. The Arrangement Agreement provides for the implementation of the Plan of Arrangement, pursuant to which, among other things, the following transactions will occur on the Effective Date:

(a) each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the DSU Plan, shall, without any further action by or on behalf of a holder of Company DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, in accordance with the DSU Plan, subject to any withholding or deduction under the Plan of Arrangement, and each such Company DSU shall immediately be cancelled and (i) the holders of such Company DSUs shall cease to be the holders thereof, and to have any rights as holders of such Company DSUs other than the right to receive the consideration to which they are entitled under the Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company DSUs maintained by or on behalf of the Company;

(b) each Company Option outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Share of such Company Option, subject to any withholding or deduction under the Plan of Arrangement, and each such Option shall immediately be cancelled, and, for greater certainty, where such amount is nil or a negative, the Company shall not be obligated to pay the holder of such Company Option any amount in respect of such

Company Option, and (i) the holders of such Options shall cease to be the holders thereof, and to have any rights as holders of such Company Options other than the right to receive the consideration (if any) to which they are entitled under the Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company Options maintained by or on behalf of the Company;

(c) the DSU Plan, the Option Plan and all agreements relating to the Company Options and the Company DSUs shall be terminated and shall be of no further force and effect;

(d) each outstanding Share that has been issued upon exercise of a Company Option within five (5) days prior to, or on, the Effective Date, shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the Consideration, and the name of such holder shall be removed from the register of holders of Shares and the Buyer shall be recorded as the registered holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens;

(e) each outstanding Share held by a Dissenting Shareholder shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear of all Liens, and each Dissenting Shareholder shall cease to be a holder of such Shares and to have any rights as a Shareholder other than the right to be paid an amount for their Shares by the Company in accordance with the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of Shares and such Shares shall be cancelled;

(f) the articles of incorporation of the Company will be amended to (i) create and authorize the issuance of an unlimited number of a new class of shares designated new common shares (the "**New Common Shares**"), (ii) create and authorize the issuance of an unlimited number of a new class of shares designated redeemable preferred shares (the "**New Preferred Shares**"), and (iii) set out the rights, privileges, restrictions and conditions of the Shares, the New Common Shares and the New Preferred Shares as set out in Schedule "A" of the Plan of Arrangement;

(g) each issued and outstanding Share (including any Shares owned by the Buyer and excluding any Shares held by Dissenting Shareholders that are cancelled pursuant to (e) above) will be exchanged for (i) one New Common Share, and (ii) one New Preferred Share, and the Shares so exchanged will be cancelled, and the name of each holder of a Share so exchanged shall be added to the register of holders of New Common Shares and New Preferred Shares and removed from the register of holders of Shares;

(h) in connection with the exchange of Shares noted above,

(i) the Company will deduct from the stated capital of the Shares an amount equal to the aggregate stated capital, immediately before the exchange, of the Shares;

(ii) the Company will add to the stated capital account of the New Preferred Shares an amount in Canadian dollars equal to the New Preferred Amount; and

(iii) the Company will add to the stated capital account of the New Common Shares an amount in Canadian dollars equal to the amount by which the PUC of the Shares immediately before the exchange exceeds the New Preferred Amount;

(i) each New Preferred Share outstanding (other than the New Preferred Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Preferred Shares held by the Buyer) shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear of all Liens, in exchange for a payment by the Company to such holder of the New Preferred Per Share Amount, and each such holder shall cease to be a holder of such New Preferred Shares and to have any rights as a holder of New Preferred Shares other than the right to be paid an amount for their New Preferred Shares by the Company in accordance with the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of New Preferred Shares and such New Preferred Shares shall be cancelled; and

(j) each New Common Share outstanding (other than the New Common Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Common Shares held by the Buyer), shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the New Common Per Share Amount pursuant to the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of New Common Shares and the Buyer shall be recorded as the registered holder of the New Common Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens.

The following procedural steps must be taken in order for the Arrangement to become effective: (i) the required Shareholder Approval must be obtained, (ii) the Court must grant the Final Order approving the Arrangement, (iii) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate party, and (iv) the Final Order and Articles of Arrangement in the form prescribed by the OBCA must be filed with the Director. Assuming completion of all these steps, it is currently anticipated that the Arrangement will be completed in the last quarter of 2023.

The Plan of Arrangement is attached as Appendix "C" to this Circular and a copy of the Arrangement Agreement is available on SEDAR+ at www.sedarplus.ca. For more information, see "*The Arrangement – Description of the Arrangement*".

The Arrangement Agreement

On August 31, 2023, the Company, the Buyer, Y. Dov Meyer and Lornglen Developments Limited entered into the Arrangement Agreement. Pursuant to the Arrangement Agreement, the parties thereto have agreed, among other things, subject to the terms and conditions thereof, to implement the Arrangement on the terms and subject to the conditions set out in the Plan of Arrangement. Under the Arrangement Agreement, the Company has agreed to, among other things, call the Meeting to seek approval of the Arrangement Resolution by the Shareholders and, if approved, apply to the Court for the Final Order. For more information, see "*The Arrangement Agreement*".

Shareholder Approval

To become effective, the Arrangement Resolution must be approved, with or without variation, by not less than (i) $66^{2}/_{3}$% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded in accordance with MI 61-101 ("**Shareholder Approval**").

The Arrangement Resolution must be passed in order for the Company to seek the Final Order and implement the Arrangement on the Effective Date. For more information, see *"The Arrangement – Certain Legal and Regulatory Matters – Shareholder Approval"*.

Letter of Transmittal

Registered Shareholders will have received with this Circular a Letter of Transmittal. In order to receive the Consideration, Registered Shareholders must complete and sign the applicable Letter of Transmittal enclosed with this Circular and deliver it and any additional documents required by it, including the certificate(s) or DRS Advice(s) representing the Shares, to the Depositary in accordance with the instructions contained in the applicable Letter of Transmittal.

Non-Registered Holders holding Shares that are registered in the name of an Intermediary must contact their Intermediary to arrange for the surrender of their Shares. For more information, see "*Procedures for the Surrender of Certificates and Payment of Consideration*".

Court Approval of the Arrangement

The Arrangement requires approval by the Court under Section 182 of the OBCA. A copy of the Notice of Application applying for the Final Order approving the Arrangement is attached hereto as Appendix "G". Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is expected to take place on or about October 24, 2023 at 10:00 a.m. (Toronto time) in the Court at 330 University Avenue, Toronto, Ontario, or as soon thereafter as is reasonably practicable. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Court Approval*".

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the Board (excluding the Conflicted Director) to vote **FOR** the Arrangement Resolution, Shareholders should be aware that some of the directors and officers of the Company have interests in the Arrangement that are different from, or in addition to, the interests of Shareholders generally. For more information, see "*The Arrangement – Interests of Certain Persons in the Arrangement*" and "*Risk Factors – Risks Related to the Arrangement – Interests of Certain Persons in the Arrangement*".

Voting Support Agreements

On August 31, 2023, the Buyer entered into Voting Support Agreements with directors who hold Shares (other than the Conflicted Director) and certain Supporting Shareholders (collectively beneficially owning and/or exercising control or direction over, an aggregate of 2,627,552 Shares, which represented approximately 46.5% of the issued and outstanding Shares as of the Record Date). Pursuant to the Voting Support Agreements, such directors and the Supporting Shareholders have agreed, among other things, to vote their Shares **FOR** the Arrangement Resolution.

MI 61-101 Requirements

The Company is subject to MI 61-101. MI 61-101 establishes disclosure, valuation, review and approval processes in connection with certain transactions (business combinations, related party transactions, insider bids, and issuer bids) where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have the potential to receive information, advantages, different consideration or other benefits that are not available to other shareholders. Generally, MI 61-101 requires enhanced disclosure, approval by a majority of shareholders excluding interested or related parties and, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The Arrangement constitutes a "business combination" (as defined in MI 61-101) and, accordingly, the requirements of Part 4 of MI 61-101 apply, and the Company is required to, among other things, obtain "minority approval" for the Arrangement in accordance with MI 61-101. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Canadian Securities Laws Matters*".

Stock Exchange Delisting and Ceasing Reporting Issuer Status

It is expected that the Shares, which are currently listed for trading on the TSXV, will be de-listed from the TSXV following completion of the Arrangement. The Buyer also expects to apply to have the Company cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Stock Exchange Delisting and Ceasing Reporting Issuer Status*".

Rights of Dissent

Pursuant to the Plan of Arrangement and the Interim Order, only Registered Shareholders may exercise, pursuant to and in the manner set forth in Section 185 of the OBCA, their Dissent Rights in connection with the Arrangement Resolution, as modified by the Interim Order and the Plan of Arrangement. The dissent procedures require that a Registered Shareholder who wishes to dissent ensure that a written notice of dissent to the Arrangement Resolution is sent to the Company c/o Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9,

Attention: Ryan Morris or by facsimile (416-863-2653) or by e-mail at: ryan.morris@blakes.com to be received no later than 4:00 p.m. (Toronto Time) on October 17, 2023 or 4:00 p.m. (Toronto Time) or the date that is at least two Business Days immediately prior to any date to which the Meeting may be adjourned or postponed, and must otherwise strictly comply with the dissent procedures described. For more information, see "*Dissent Rights of Shareholders*".

There can be no assurance that a Shareholder that dissents will receive consideration for his, her or its Shares of equal or greater value to the Consideration such Shareholder would have received on completion of the Arrangement if such Shareholder did not exercise its Dissent Rights. Only Registered Shareholders are entitled to dissent. Shareholders should carefully read the section in this Circular titled "*Dissent Rights of Shareholders*" if they wish to exercise Dissent Rights and seek their own legal advice as failure to strictly comply with the dissent procedures in Section 185 of the OBCA, as modified and supplemented by the Interim Order and the Plan of Arrangement, will result in the loss or unavailability of the right to dissent. See Appendices "F" and "H" to this Circular for a copy of the Interim Order and certain information relating to the Dissent Rights.

Dissenting Shareholders who are ultimately determined to be entitled to be paid the fair value of the Shares in respect of which they have exercised Dissent Rights will have their Shares transferred to the Company in consideration for a right to be paid the fair value (less any applicable withholding) of such Shares in accordance with the Plan of Arrangement. Each such Dissenting Shareholder will cease to be a holder of Shares, and their name will be removed from the register of holder of Shares, as of the Effective Date.

Dissenting Shareholders who validly withdraw their Dissent Rights or who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Shares will be deemed to have participated in the Arrangement on the same basis as a non-Dissenting Shareholder (other than the Buyer).

In addition to any other restrictions under Section 185 of the OBCA, holders of Shares who vote in favour of the Arrangement Resolution or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution, shall not be entitled to exercise Dissent Rights and shall be deemed to have not exercised Dissent Rights in respect of such Shares.

No rights of dissent shall be available to holders of Company Options or Company DSUs in connection with the Arrangement.

Income Tax Considerations

Shareholders should consult their own tax advisors about the applicable Canadian federal, provincial and local tax and other foreign tax consequences to them of the Arrangement. For more information, see "*Certain Canadian Federal Income Tax Considerations*".

Risk Factors

The Arrangement may not be completed. If the Arrangement is not completed, the Company will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Shares. These and other risk factors described under "*Risk Factors*" should be carefully considered by Shareholders.

THE ARRANGEMENT

Background to the Arrangement

The terms and conditions of the Arrangement Agreement are the result of extensive arm's length negotiations conducted between the Special Committee and the Buyer, and their respective legal and financial advisors. The following is a summary of the material meetings, negotiations, discussions, and principal events leading up to the execution and public announcement of the Arrangement Agreement.

In early 2022, after closing of the Company's second fund, management of the Company raised with the Board its concern that the trading price for the Shares and the market for the Shares was not sufficient to raise additional capital in the public markets and that the Company was not likely to meet its growth targets by continuing to rely on the raising of private capital. Management was concerned that continuing with the current model using private capital would not allow the Company to scale and that the Company's balance sheet and fund vehicles could be exposed to a high concentration of a small number of borrowers. Management advised that meeting the Company's growth targets would require large amounts of institutional capital.

In April 2022, the Board began to receive encouragement from several Shareholders, including Somers Limited (an affiliate of ICM Limited), a holder of approximately 20% of the outstanding Shares at the time, to explore potential alternatives to increase shareholder value and provide greater liquidity for Shareholders.

Management recommended engaging a broker to assist in raising institutional capital. The Board agreed to engage a broker on a contingency basis with a small retainer. The efforts of the broker ultimately led to the Company engaging with a private company located in the United Kingdom ("**Party A**") regarding a potential combination of Party A with the Company that would be effected following a consummation of a transaction by Party A with another party that would result in a public listing of Party A's shares.

On June 22, 2022, Tristan Kingcott, a General Manager and Director of ICM CA Research Limited (an affiliate of ICM Limited), joined the Board as an independent director.

On July 29, 2022, the Company received a non-binding offer from Party A to purchase all of the outstanding Shares of the Company at a price ranging from $8.00 to $8.50 per Share, subject to due diligence. Party A's offer was subject to further internal review and approval and to the successful conclusion of Party A's third-party transaction, which Party A advised was expected to close in September 2022.

On August 10, 2022, the Company entered into a letter of intent (the "**Party A LOI**") with Party A for a potential acquisition of the Company for a price of $8.50 per Share and providing for a one-month period of exclusivity. Party A's proposal remained subject to confirmation of the Company's cash balances, further due diligence and the receipt of internal authorizations, which the Company understood to depend on Party A's completion of its third-party transaction. In considering the offer by Party A and the decision to enter into exclusive negotiations with Party A, the Board considered whether to form a special committee of independent directors at that time, but concluded that the formation of a formal committee at such time was not warranted as the independent directors were able to monitor potential conflicts through other means, including ongoing monitoring of discussions with Party A and frequent *in camera* sessions of the independent directors.

Throughout the remainder of 2022, the Company continued to engage with Party A regarding a potential acquisition, including following the expiration of the exclusivity period provided in the Party A LOI. During this time, Party A's third-party transaction continued to experience delays and did not close on the timetable originally expected. In addition, as Party A neared completion of its third-party transaction and sought internal approvals for an acquisition of the Company, the Company was advised that Party A was unable to obtain the internal authorization necessary for the transaction. Up until January 2023, Party A continued to explore potential transaction structures, including proposing a new transaction in which management of the Company would join a new joint venture company with Party A, and the remaining assets of the Company would be liquidated. However, discussions with Party A were shortly terminated, including due to Party A failing to obtain necessary internal approvals.

Following the termination of discussions with Party A, the Board instructed management to seek out other potential acquirors or strategic partners, with a view to increasing shareholder value and creating liquidity for Shareholders. The Company reached out to several potential counterparties for a transaction.

On December 22, 2022, the Company issued a press release announcing that the Board had initiated a review process to evaluate a full range of strategic alternatives to maximize shareholder value and liquidity.

In January 2023, the Company engaged with an arm's length party based in Canada active in private lending ("**Party B**") regarding a potential acquisition of the Company. On January 26, 2023, the Company received a non-binding letter of intent from Party B for the acquisition of the Company at a price per Share of $6.45. The Company advised Party B that their offer was below the Company's minimum pricing threshold.

Commencing in February 2023, the Company engaged with another arm's length party based in Canada ("**Party C**") regarding a potential transaction in which Party C would acquire the Company. Also in February 2023, the Company continued to engage and negotiate with Party B in respect of their interest in a potential acquisition of the Company. On February 15, 2023, the Company received a non-binding letter of intent from Party B for the acquisition of the Company for all-cash consideration of $7.50 per Share subject to a number of conditions.

On March 11, 2023, the Company received a non-binding proposal from Party C for the acquisition of the Company by way of a reverse take-over transaction, with the Shareholders receiving a combination of cash and shares of the resulting entity, with the potential for some Shareholders to receive all-cash consideration of $7.75 per Share ("**Party C's $7.75 Offer**"). Party C's $7.75 Offer remained subject to due diligence.

At a meeting of the Board on March 15, 2023, the Board considered the merits of potential transactions with Party B and Party C, and the need for Party C to raise financing to fund a full cash offer.

Also at the March 15, 2023 Board meeting, the Board constituted the Special Committee of independent directors to oversee further negotiations with potential acquirors of the Company, appointing Tristan Kingcott and Mike Kirchmair as the sole members of the Special Committee, and discussed the retention of a financial advisor to assist the Company and the Special Committee in considering a potential transaction.

Throughout the spring of 2023, while considering potential acquisition proposals, the Special Committee and the Board continued to consider other strategic alternatives, including the liquidation of the Company's assets and the return of capital to Shareholders through dividends, share buybacks, a wind-down or some combination of those alternatives.

On April 1, 2023, the Special Committee engaged Cormark Securities to act as financial advisor to the Special Committee in connection with the strategic review process, which efforts included evaluating the monetization of non-core assets and also engaging with various parties including prospective purchasers in connection with a potential sale of the Company. The Special Committee, together with Cormark Securities, reached out to several parties, many of whom signed non-disclosure agreements with the Company and attended calls with management.

On April 25, 2023, Party C informed the Company that it was withdrawing Party C's $7.75 Offer.

Throughout May 2023, the Special Committee, together with Cormark Securities, engaged in discussions and negotiations with Party B with respect to a potential transaction. On June 2, 2023, Party B submitted a non-binding proposal to acquire all of the outstanding Shares at a price of $7.25 per Share, with the proposed price conditional on the Company selling certain of its assets at a reasonable discount. Party B's proposal remained subject to ongoing due diligence.

After the parties discussed the non-binding proposal and negotiated the terms thereof, on June 5, 2023, the Company entered into a non-binding letter of intent with Party B for an acquisition of the Company at a price of $7.25 per Share and providing for an exclusivity period of 30 days, extendable if agreed by the parties for a further period of 15 days.

During the period of exclusive discussions with Party B, there were discussions regarding certain members of management rolling over their investment in the Company, including a portion of their change of control entitlements, into the purchaser. The Special Committee received feedback from certain members of management that they were unlikely to continue with the Company in the event of an acquisition by Party B. As a result of these issues, the Special Committee had concerns with respect to the likelihood of achieving a successful transaction with Party B. In addition, Party B indicated that it was considering only to submit an offer for certain of the Company's assets rather than

purchase all of the Shares. As a result of the foregoing and based on ongoing discussions between the Special Committee and Party B, on June 29, 2023, Party B delivered an amended offer to acquire the Shares at a price of $6.25 per Share ("**Party B's $6.25 Offer**"). On the expiration of the exclusivity period in July, the parties did not agree to an extension of the exclusivity period.

On July 12, 2023, the Special Committee retained Norton Rose to act as legal counsel to the Special Committee.

On July 14, 2023, the Company received a non-binding expression of interest for a potential acquisition of the Company by an arm's length third party ("**Party D**"), subject to certain conditions, at a price of $7.00 per Share (the "**$7.00 Offer**"). Following receipt of the $7.00 Offer, the Special Committee, together with Cormark Securities engaged in a series of discussions and negotiations with Party D in an effort to increase the $7.00 Offer and to remove or reduce the number of conditions in order to increase deal certainty, including the reduction or removal of a lengthy due diligence process. The Special Committee subsequently met to consider the $7.00 Offer and, after careful consideration, the Special Committee resolved to respond to Party D and to advise that, as a result of the conditions associated with the $7.00 Offer, the Special Committee and the Company were unwilling to extend exclusivity to Party D. The Special Committee also declined Party B's $6.25 Offer as Party B's $6.25 Offer was below the minimum pricing range required by the Company.

While reviewing and considering the $7.00 Offer, the Special Committee determined to proceed with an analysis of the liquidation of the Company's assets and to explore ways to return capital to Shareholders, while remaining open to a potential acquisition proposal from other parties.

On July 17, 2023, the Board, acting unanimously, on recommendation of the Special Committee, resolved to move ahead with (i) preparing for a liquidation, (ii) proceeding with a wind down, and (iii) issuing a press release providing an update on the Company's strategic review process and the Board's decision to proceed with a wind down.

On July 21, 2023, in connection with the foregoing, the Company issued a press release providing an update on the Board's decision to pursue the liquidation alternative, while remaining open to a potential sale transaction should one emerge.

During the period between July 14, 2023 and July 28, 2023, the Special Committee engaged in ongoing discussions and negotiations with Party D and other prospective buyers in an effort to obtain an increased offer.

On July 28, 2023, the Special Committee received a non-binding letter agreement from Mr. Meyer with respect to a potential transaction whereby Mr. Meyer would either (i) acquire all of the issued and outstanding Shares, excluding certain Shares held by Mr. Meyer and his affiliates, at a price of $7.15 per Share, subject to certain adjustments related to the sale of specified assets of the Company prior to the completion of the transaction, or (ii) assist the Company in completing a managed wind down and distributions of its assets (the "**Dov $7.15 Offer**"), in each case, subject to certain conditions.

In addition, on July 28, 2023, the Special Committee received a revised offer from Party D pursuant to which they re-iterated their $7.00 Offer and agreed to reduce the length of Party D's due diligence period thereunder (the "**Amended $7.00 Offer**"). The Amended $7.00 Offer was also subject to the Company having a minimum cash balance of US$26 million at closing.

Following the receipt of the Dov $7.15 Offer and the Amended $7.00 Offer, the Special Committee, together with Cormark Securities engaged in negotiations with Mr. Meyer and Party D in an attempt to increase the amount of the offers and to increase deal certainty through the elimination of certain conditions to closing, including requirements for pre-closing asset divestitures. On August 1, 2023, the Special Committee held a meeting, together with its financial and legal advisors, to consider and evaluate the Dov $7.15 Offer and the Amended $7.00 Offer.

On August 2, 2023, the Special Committee received an increased offer from Party D; whereby, Party D offered to acquire all of the Shares at an increased price of $7.15 per Share ("**Party D's $7.15 Offer**"), subject to a 15-day due diligence period and the Company having a minimum cash balance of US$26 million at closing. Following receipt of Party D's $7.15 Offer, Cormark Securities engaged with Mr. Meyer and Party D in an effort to increase the Dov $7.15 Offer and Party D's $7.15 Offer and to remove various conditions from the offers.

On August 3, 2023, Mr. Meyer provided an amendment to the Dov $7.15 Offer, which reflected an increased cap on transaction expenses and the removal of certain closing conditions, including the elimination of the requirement for certain pre-closing asset divestitures, and at a reduced price of $6.90 per Share (the "**Dov $6.90 Offer**") to reflect the risk that would be assumed with respect to certain assets of the Company. The Special Committee, together with Cormark Securities, held a meeting to consider the Dov $6.90 Offer and Party D's $7.15 Offer. After due consideration, the Special Committee determined that it was advisable to recommend that the Board accept the Dov $6.90 Offer and enter into exclusivity with Mr. Meyer, subject to certain changes to the terms of the Dov $6.90 Offer, including the removal and adjustment of certain closing conditions.

In determining to recommend the Dov $6.90 Offer, the Special Committee, together with its financial advisors, carefully considered the impact of the conditions contained in the two offers, including the minimum cash conditions. Upon a detailed assessment of the offers, the Special Committee and its advisors determined that: (i) while Party D's $7.15 Offer was nominally higher than the Dov $6.90 Offer, the gap between the two offers would be significantly narrowed as a result of the closing conditions and minimum cash conditions contained in Party D's $7.15 Offer; and (ii) given the reduced conditions in the Dov $6.90 Offer, the transaction presented in the Dov $6.90 Offer was more likely to be completed in a timely manner on the terms set out therein. Following the meeting of the Special Committee, the Board (with Mr. Meyer recusing himself) resolved to accept the Dov $6.90 Offer and enter into exclusive negotiations with Mr. Meyer, subject to receipt of an amended Dov $6.90 Offer reflecting the adjustments requested by the Special Committee.

Following the August 3, 2023 Board meeting, Mr. Kingcott, on behalf of the Special Committee interviewed a number of independent investment banks and accounting firms with respect to the provision of an independent fairness opinion in respect of the proposed transaction. On August 8, 2023, the Special Committee approved the engagement of MNP to act as an independent financial advisor and to provide an independent opinion as to fairness of the consideration to be received by the Shareholders (other than the Buyer and its affiliates) in connection with the proposed transaction. The Special Committee formalized the engagement by entering into an engagement letter with MNP dated August 9, 2023.

Between August 4, 2023 and August 9, 2023, the Special Committee, together with its financial and legal advisors, engaged in negotiations with respect to the Dov $6.90 Offer and exchanged comments on the letter of intent reflecting such offer. At this time, Cormark Securities advised Party D to put forward its "best offer". On August 8, 2023, prior to finalization of the letter of intent with respect to the Dov $6.90 Offer, the Special Committee received an amended offer from Party D as set out in a non-binding letter of intent at a price of $7.15 per Share which removed many of the conditions to closing contained in Party D's $7.15 Offer (the "**Amended Party D $7.15 Offer**").

The Special Committee through its legal and financial advisors continued to review and provide comments on the offers in an effort to increase deal certainty and value to Shareholders. On August 11, 2023, the Special Committee received a further amended offer from Party D removing additional conditions to their Amended Party D $7.15 Offer and the associated break fee for the proposed transaction. On August 14, 2023, the Special Committee received a revised offer from Mr. Meyer removing additional conditions and increasing the offer price to $7.20 per Share (the "**$7.20 Offer**").

The $7.20 Offer was reflected in an expression of interest, in the form of a non-binding letter of intent (the "**Dov LOI**"), from Mr. Meyer and Seth Greenspan. Pursuant to the Dov LOI, Messrs. Meyer and Greenspan proposed to acquire all of the outstanding Shares, other than the Shares owned by the Buyer and its affiliates, for the increased consideration of $7.20 per Share. Among other things, the Dov LOI also contained an express statement that completion of the proposed transaction would not be subject to due diligence, would not be subject to a financing condition as well as customary terms and conditions, including a binding period of exclusivity until September 4, 2023, and the entry into voting support agreements by certain directors of the Company and assistance from the directors of the Company to obtain voting support agreements from the top five shareholders of the Company. The Dov LOI also provided that the Company would be responsible for the Buyer's expenses of $500,000 if the Company determined not to proceed with the transaction and it had entered into and consummated an alternative transaction or the Board made a decision to, or the Company took steps to, effect a wind-up of the Company, within a period of 12 months from the date of the Dov LOI.

Subsequent to the submission of the $7.20 Offer, the Special Committee and Mr. Meyer and their respective legal and financial advisors (including legal counsel to the Company), engaged in further discussions and negotiations with

respect to the proposed transaction. During this period, Mr. Meyer and the Special Committee had various discussions on price and value and the Special Committee, with the assistance of Cormark Securities, Norton Rose and Blakes, and based upon their collective knowledge of the business, operations, assets, financial performance, condition and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including economic and political conditions), continued a dialogue with Mr. Meyer with respect to a potentially improved offer. During such period, the Special Committee continued to consider alternatives to the proposed transaction, including unsolicited third-party acquisition proposals received by the Company, in each case considering the overall benefits to stakeholders, adjusted for time value, risk and various other factors. As part of this process, the Special Committee, with the assistance of its legal advisor, provided comments on the Dov LOI initially submitted by Mr. Meyer reflecting revisions to various other proposed deal terms.

On August 15, 2023, the Special Committee held a meeting to consider the $7.20 Offer received from Messrs. Meyer and Greenspan and engaged in an assessment of the merits of the $7.20 Offer and the Amended Party D $7.15 Offer. After consultation with its financial and legal advisors, the Special Committee recommended to the Board that the Board: (i) accept the $7.20 Offer from Messrs. Meyer and Greenspan, (ii) enter into the Dov LOI reflecting the $7.20 Offer, and (iii) proceed with the negotiation of a definitive arrangement agreement in respect of the $7.20 Offer. Later that same day, following a discussion of the independent members of the Board, (with Mr. Meyer recusing himself), and after careful consideration of, among other things, the recommendation of the Special Committee and analysis from Cormark Securities with respect to the financial aspects of the potential transaction, the Board (with Mr. Meyer recusing himself) determined that the entering into of the Dov LOI with respect to the $7.20 Offer by the Company and the negotiation of a definitive arrangement agreement with Mr. Meyer in respect of the potential transaction was advisable and in the best interests of the Company. Upon the recommendation of the Special Committee, the Board (with Mr. Meyer recusing himself) authorized the Company to enter into the Dov LOI with Messrs. Meyer and Greenspan which was executed on August 15, 2023.

On August 16, 2023, the Special Committee received an unsolicited offer from Party D at a price of $7.40 per Share as set out in a further non-binding letter of intent which reduced a number of the closing conditions in their prior offer ("**Party D's $7.40 Offer**"). The Special Committee noted that: (i) there were still many uncertainties in reaching a definitive agreement with Party D, (ii) Party D had previously been advised to put its best bid forward, before the Company entered into exclusivity with Mr. Meyer, but Party D did not do so, (iii) the Dov LOI contemplated a definitive agreement that would allow for the Board to consider a superior proposal, (iv) the $7.20 Offer from Messrs. Meyer and Greenspan was not subject to due diligence, and (v) pursuing the $7.20 Offer was more likely to result in an earlier consummated transaction providing cash to Shareholders. The Special Committee also considered: (i) whether Messrs. Meyer and Greenspan could further improve the $7.20 Offer, and (ii) the risks of allowing the exclusivity to expire with Messrs. Meyer and Greenspan to allow the Special Committee to fully engage with Party D. After careful consideration of the foregoing factors, and advice from its financial and legal advisors, the Special Committee resolved to continue pursuing a transaction with Messrs. Meyer and Greenspan while preserving the ability to consider Party D's $7.40 Offer should the period of exclusivity with Messrs. Meyer and Greenspan expire without the Company entering into a definitive agreement. On instruction from the Special Committee, Cormark Securities responded to Party D by thanking Party D for their increased offer and notifying them that the Company was unable to negotiate with Party D.

On August 18, 2023, Goodmans LLP, legal counsel to Mr. Meyer, circulated an initial draft of the plan of arrangement and voting support agreements to Blakes. Blakes circulated the drafts to the Special Committee, Cormark Securities and Norton Rose for review and comment. Around this time, it was decided that Messrs. Meyer and Greenspan would effect the arrangement by way of an acquisition vehicle, namely, the Buyer.

Over the course of the following weeks, the Parties continued to negotiate the draft Arrangement Agreement, the Plan of Arrangement and the terms of the Voting Support Agreements. The Special Committee met regularly with legal counsel and Cormark Securities to discuss the terms and conditions of the Arrangement Agreement and, in connection with such meetings, continued to assess the relative benefits and risks of various alternatives to the Arrangement. See "*The Arrangement – Reasons for the Recommendations*".

On August 26, 2023, following ongoing negotiations with the Special Committee and Cormark Securities, Messrs. Meyer and Greenspan confirmed that the price per Share in his offer would be increased to $7.30 per Share and the draft Arrangement Agreement was revised accordingly.

On August 29, 2023, the Special Committee met with representatives of each of Blakes, Norton Rose, Cormark Securities and MNP. The Special Committee considered the increased price, and the fact that while Mr. Meyer's proposal remained $0.10 per Share below Party D's $7.40 Offer, the increase to $7.30 had materially closed the gap between the current offers being considered by the Company. The Special Committee also considered the factors previously considered at the August 16, 2023 meeting with respect to the advantages of proceeding with a transaction with Messrs. Meyer and Greenspan compared to Party D which would likely entail further due diligence and uncertainty with respect to reaching a definitive agreement, and the potential for a significantly greater period of time for Shareholders to realize any cash from Party D's $7.40 Offer, particularly given the advanced stage of negotiations with Messrs. Meyer and Greenspan. Blakes provided an update on the status of the draft Arrangement Agreement as well as other transaction documents. Subsequently, each of Cormark Securities and MNP, respectively, provided a presentation to the Special Committee outlining their analysis of the fairness of the Arrangement to the Shareholders. Each of Cormark Securities and MNP began their respective presentations by discussing their respective engagements in the context of the proposed transaction and summarized the process each had undertaken in connection with its respective engagement. Each of Cormark Securities and MNP confirmed that a verbal fairness opinion could be provided to the Special Committee upon receipt of final drafts of the transaction documents.

On August 31, 2023, the Board, absent Mr. Meyer as an affiliate of the Buyer, met with representatives of each of Blakes, Norton Rose, Cormark Securities and MNP. Blakes reviewed the proposed final terms of the Arrangement Agreement, the Arrangement and related matters. At such meeting, Cormark Securities and MNP each reaffirmed their previous presentations to the Special Committee given on August 29, 2023 and delivered to the Special Committee the applicable verbal fairness opinion. See "*The Arrangement – Cormark Fairness Opinion" and "The Arrangement – MNP Fairness Opinion*". The Special Committee moved to an *in camera* meeting to review and assess the Arrangement Agreement and the Arrangement and to determine whether or not to recommend the Arrangement Agreement.

The Special Committee conducted a thorough review and assessment of: (i) the Arrangement; (ii) the Arrangement Agreement; (iii) alternative transactions available to the Company, including Party D's $7.40 Offer; (iv) advice from legal counsel, Cormark Securities and MNP, including the verbal Fairness Opinions; and (iv) the potential benefits and risks in proceeding with the Arrangement (including the ability of the Company to engage in or participate in discussions or negotiations with a third party-making an acquisition proposal that constitutes, or could reasonably be expected to constitute or lead to, a superior proposal, the availability of dissent rights to Shareholders, and those additional matters described under "*The Arrangement – Reasons for the Recommendations*").

Prior to making its recommendation, the Special Committee also conducted an in depth assessment of the execution risk associated with all opportunities available to the Company, the amount of subsequent diligence required to complete an alternative transaction, current market volatility and risks associated with the Company's business, the amount of time required to consummate each potential transaction, and the support expressed by key stakeholders of the Company, including the holders of approximately 47.05% of the issued and outstanding Shares as of such date, in respect of the proposed transaction with the Buyer.

After completing its assessment of the opportunities available to the Company, the Special Committee unanimously recommended that the Board approve the entering into of the Arrangement Agreement and proceed with the proposed Arrangement on the basis that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Buyer and its affiliates) and is in the best interests of the Company.

Subsequently, the August 31, 2023 meeting of the Board resumed and the Special Committee delivered its recommendation to the Board, absent Mr. Meyer as an affiliate of the Buyer. Following careful consideration of the recommendation of the Special Committee, among other things, the Board (absent Mr. Meyer as an affiliate of the Buyer) unanimously determined that (i) the Arrangement is in the best interests of the Company and fair, from a financial point of view, to the Shareholders (other than the Buyer and its affiliates); (ii) unanimously authorized the Company to proceed with the Arrangement and enter into the Arrangement Agreement; and (iii) determined to unanimously recommend that the Shareholders vote **FOR** the Arrangement Resolution. See "*The Arrangement – Reasons for the Recommendations*".

On the evening of August 31, 2023, the Parties entered into the Arrangement Agreement and the Buyer entered into agreements with the Supporting Shareholders representing approximately 47.05% of the issued and outstanding

Shares as of such date, and the Parties publicly announced the execution of the Arrangement Agreement and the transactions contemplated by the Arrangement.

Recommendation of the Special Committee

The Special Committee, following careful consideration of, among other things, the Fairness Opinions, the terms and conditions set forth in the Arrangement Agreement, alternatives available to the Company, including maintaining the status quo and alternative transactions, and advice from its financial and legal advisors, unanimously determined that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and unanimously recommended that the Board determine that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates) and recommend that Shareholders vote **FOR** the Arrangement Resolution.

The Special Committee was mandated to, among other things, review and evaluate potential strategic alternatives for the Company, including among other potential alternatives, a sale of the Company. The Special Committee was responsible for reviewing, evaluating and negotiating the terms of proposals received from the Buyer and other parties, making recommendations to the Board in respect of such proposals, and negotiating the terms of the Arrangement.

Recommendation of the Board

The Board (excluding the Conflicted Director), acting on the unanimous recommendation of the Special Committee and after receiving legal and financial advice, unanimously determined (i) that the Arrangement is in the best interests of the Company and fair to Shareholders (other than the Buyer and its affiliates), and (ii) to recommend that Shareholders vote **FOR** the Arrangement Resolution.

Reasons for the Recommendations

In determining that the Arrangement is in the best interests of the Company, and in making their respective recommendations, the Special Committee and the Board (excluding the Conflicted Director) considered and relied upon a number of factors, including, among others, those listed below. The Special Committee and the Board (excluding the Conflicted Director) did not attempt to assign relative weights to the various factors and individual members of the Special Committee and the Board (excluding the Conflicted Director) may have given different weights to different factors. The following discussion of the information and factors considered and evaluated by the Special Committee and the Board (excluding the Conflicted Director) is not intended to be exhaustive of all factors considered and evaluated by the Special Committee and the Board (excluding the Conflicted Director). The conclusions and recommendations of the Special Committee and the Board (excluding the Conflicted Director) were made in light of the totality of the information and factors considered.

The following includes forward-looking information and the reasons and potential issues are subject to various risks and assumptions. See "*Cautionary Statement Regarding Forward-Looking Statements*" and "*Risk Factors*". Among other things, the Special Committee and the Board (excluding the Conflicted Director) considered the following factors:

- the value of the consideration payable under the Arrangement to Shareholders (other than Buyer and its affiliates), which represents a premium of approximately 5.8% to the closing price of the Shares on the TSXV on the day prior to the announcement of the Arrangement, and a premium of approximately 57.0% to the closing price of the Shares on the TSXV prior to the Company's announcement of the strategic review process on December 21, 2022;

- the Consideration payable to Shareholders (other than Buyer and its affiliates) pursuant to the Arrangement will be paid entirely in cash, which provides such Shareholders with immediate liquidity and certainty of value;

- the Special Committee's assessment of the current and anticipated future opportunities and risks associated with the business, operations, assets, financial performance and condition of the Company should it continue as a stand-alone entity, including the evolving competitive environment in the Company's key markets and the execution risk of the business plan given its history;

- management's financial projections and historical achievement of targets;

- the MNP Fairness Opinion and the Cormark Fairness Opinion, each to the effect that, as of August 31, 2023, subject to the assumptions, limitations and qualifications to be contained therein, the Consideration to be received by Shareholders (other than Buyer and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders;

- the Board retains the ability, notwithstanding the Non-Solicitation Covenants, to engage in or participate in discussions or negotiations with a third-party making an acquisition proposal that constitutes or could reasonably be expected to constitute or lead to, a Superior Proposal, and, in certain circumstances, to consider, accept and enter into a definitive agreement with respect to such Superior Proposal, provided that the Company pays a $1.3 million termination fee to the Buyer prior to or concurrently with the Company entering into such definitive agreement;

- the terms and conditions of the Arrangement Agreement, which were extensively negotiated by the Special Committee and the Company with the assistance of their respective legal and financial advisors, including the price offered by the Buyer and the fact that the representations, warranties and covenants of the Company and the Buyer and the conditions to completion of the Arrangement are, after consultation with the Special Committee's and the Company's legal advisors, reasonable in light of all applicable circumstances;

- the Buyer's obligation to complete the Arrangement is subject to a limited number of conditions, which the Special Committee, after consultation with the Company's legal advisors, believes are reasonable under the circumstances;

- the fact that the Arrangement is not subject to due diligence or financing conditions, nor requires any material regulatory approvals;

- the Special Committee conducted negotiations with the Buyer of the key economic terms of the Arrangement Agreement and oversaw the negotiation of other material terms of the Arrangement Agreement and the Arrangement;

- after extensive negotiations between the Special Committee and the Buyer, the offer was materially improved over the original proposal received;

- Minority Shareholders will have an opportunity to vote on the Arrangement, which requires approval by at least (i) $66^{2}/_{3}$% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded in accordance with MI 61-101;

- in the Special Committee's view, a $1.3 million termination fee to the Buyer would not preclude a third party from making a potential unsolicited Superior Proposal in respect of the Company;

- the appropriateness of a $1.3 million termination fee to the Buyer and right to match as an inducement to the Buyer to increase its offer price and to enter into the Arrangement Agreement;

- Registered Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise dissent rights and, if ultimately successful, receive fair value for their Shares as determined by a Court;

- in the Special Committee's view, the terms of the Arrangement Agreement treat stakeholders of the Company fairly;

- the Arrangement is expected to benefit the employees of the Company based upon the Buyer's plan and intention to honour and comply in all material respects with all of the obligations of the Company under employment agreements with current or former employees; and

- the Arrangement is otherwise expected to benefit the Company and other stakeholders.

In the course of their deliberations, the Special Committee and the Board also considered a number of potential risks and potential negative factors relating to the Arrangement, including:

- the risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement, the diversion of management's attention away from conducting the Company's business in the ordinary course and the potential impact on the Company's current business relationships (including with current, future and prospective employees, customers, suppliers and partners);

- that, if the Arrangement is successfully completed, the Company will no longer exist as an independent public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders to participate in potential longer term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the consideration to be received under the Arrangement and with the understanding that there is no assurance that any such long term benefits will in fact materialize;

- the conditions to the Buyer's obligation to complete the Arrangement and the right of the Buyer to terminate the Arrangement Agreement under certain limited circumstances;

- the restrictions imposed pursuant to the Arrangement Agreement on the conduct of the Company's business during the period between the Arrangement Agreement and the consummation of the Arrangement; and

- the fact that the Arrangement will be a taxable transaction and, as a result, Shareholders will generally be required to pay taxes on any gains that result from their receipt of the Consideration pursuant to the Arrangement.

Cormark Fairness Opinion

In deciding to approve the Arrangement, the Special Committee and the Board (excluding the Conflicted Director) considered, among other things, the Cormark Fairness Opinion. The Company initially contacted Cormark Securities regarding a potential advisory assignment in March 2023. Cormark Securities was formally engaged through an engagement letter effective April 1, 2023 between the Special Committee and Cormark Securities to provide advice and assistance to the Special Committee in evaluating a potential transaction, including the preparation and delivery to the Special Committee of a fairness opinion in connection therewith. The Special Committee selected Cormark Securities to act as financial advisor to the Special Committee based on Cormark Securities' qualifications, expertise and reputation, its knowledge of and involvement in recent transactions in the Company's industry and its knowledge of the business and affairs of the Company. On August 29, 2023, Cormark Securities delivered a presentation at a meeting of the Special Committee in respect of its analysis of the fairness of the Arrangement. Subsequently, on August 31, 2023, at meetings of the Special Committee and the Board (excluding the Conflicted Director), Cormark Securities rendered its oral opinion, which was subsequently confirmed in writing, to the Special Committee and the Board to the effect that, as of that date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Cormark Securities as set forth in Cormark Securities' written opinion, the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement was fair, from a financial point of view, to such Shareholders.

The Cormark Fairness Opinion was rendered on the basis of securities markets, economic and general business conditions prevailing as of the date of the Cormark Fairness Opinion and the conditions and prospects, financial and otherwise, of the Company, and its affiliates, as they were reflected in the information and documents reviewed and

relied upon by Cormark Securities in its discussions with the management, officers and the directors of the Company. Subsequent developments may affect the Cormark Fairness Opinion.

Pursuant to the engagement letter with Cormark Securities, Cormark Securities is entitled to an advisory fee for its services as financial advisor, which fee includes a monthly fixed work fee and a fee calculated as a percentage of the transaction value (subject to a specified cap) and contingent on the successful completion of the Arrangement. Cormark Securities was also paid a fixed fee by the Company with respect to the rendering and delivery of the Cormark Fairness Opinion, payable within two business days of the verbal delivery of the Cormark Fairness Opinion. The work fee and fee payable with respect to the delivery of the Cormark Fairness Opinion were not contingent on the completion of the Arrangement or on the conclusions reached by Cormark Securities in the Cormark Fairness Opinion. A portion of the work fee and fee paid to Cormark Securities in respect of the Cormark Fairness Opinion will be credited against any contingent financial advisory fees payable to Cormark Securities upon completion of the Arrangement. In addition, under the Cormark Securities engagement letter, Cormark Securities is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities which may arise, directly or indirectly, from services performed by Cormark Securities. Neither Cormark Securities nor any of its affiliated entities (as such term is defined for the purposes of MI 61-101) is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, or any of their respective associates or affiliates. In the past twenty-four (24) months, Cormark Securities has not participated in any equity financings for the Company. There are currently no understandings, agreements or commitments between Cormark Securities or any of its affiliated entities with any insider, associate or affiliate of the Company with respect to any future business dealings.

The full text of the Cormark Fairness Opinion is attached hereto as Appendix "D" and incorporated by reference into this Circular. The Cormark Fairness Opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Cormark Securities in rendering the Cormark Fairness Opinion. Shareholders are urged to, and should, read the Cormark Fairness Opinion carefully and in its entirety. The Cormark Fairness Opinion is directed to the Special Committee and addresses, as of the date of the Cormark Fairness Opinion, only the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement. The Cormark Fairness Opinion did not address any other aspect of the transaction contemplated by the Arrangement Agreement and does not constitute a recommendation to Shareholders as to how to vote at the Meeting. The summary of the Cormark Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of the Cormark Fairness Opinion.

For purposes of rendering the Cormark Fairness Opinion, Cormark Securities reviewed and relied upon the documents and information specified in the Cormark Fairness Opinion.

MNP Fairness Opinion

In deciding to approve the Arrangement, the Special Committee and the Board (excluding the Conflicted Director) considered, among other things, the MNP Fairness Opinion. The Company initially contacted MNP regarding a potential advisory assignment in August 2023. MNP was formally engaged through an engagement letter effective August 10, 2023 between the Company and MNP to provide assistance to the Special Committee in evaluating the Arrangement, from a financial perspective, which included the preparation and delivery to the Special Committee of a fairness opinion in connection therewith. The Special Committee selected MNP to provide a fairness opinion to the Special Committee based on MNP's qualifications, expertise and reputation, and its knowledge of the Company's industry. On August 29, 2023, MNP delivered a presentation at a meeting of the Special Committee in respect of its analysis of the fairness of the Arrangement. Subsequently, on August 31, 2023, at meetings of the Special Committee and the Board (excluding the Conflicted Director), MNP rendered its oral opinion, which was subsequently confirmed in writing, to the Special Committee and the Board to the effect that, as of that date, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by MNP as set forth in MNP's written opinion, the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement was fair, from a financial point of view, to such Shareholders.

Pursuant to the engagement letter with MNP, MNP is entitled to the payment of fees (based on time required to complete the MNP Fairness Opinion and make any presentations to the Company as requested), by the Company with respect to the rendering and delivery of the MNP Fairness Opinion that is not conditional on completion of the Arrangement and which shall not exceed $50,000 prior to administrative expenses and taxes. In addition, under the MNP engagement letter, MNP is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities which may arise, directly or indirectly, from services performed by MNP. Neither MNP nor any of its affiliated entities (as such term is defined for the purposes of MI 61-101) is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, or any of their respective associates or affiliates. In the past twenty-four (24) months, MNP has not participated in any equity financings for the Company. There are currently no understandings, agreements or commitments between MNP or any of its affiliated entities with any insider, associate or affiliate of the Company with respect to any future business dealings.

The full text of the MNP Fairness Opinion is attached hereto as Appendix "E" and incorporated by reference into this Circular. The MNP Fairness Opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by MNP in rendering the MNP Fairness Opinion. Shareholders are urged to, and should, read the MNP Fairness Opinion carefully and in its entirety. The MNP Fairness Opinion is directed to the Special Committee and addresses, as of the date of the MNP Fairness Opinion, only the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than Buyer and its affiliates) pursuant to the Arrangement. The MNP Fairness Opinion did not address any other aspect of the transaction contemplated by the Arrangement Agreement and does not constitute a recommendation to Shareholders as to how to vote at the Meeting. The summary of the MNP Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of the MNP Fairness Opinion.

For purposes of rendering the MNP Fairness Opinion, MNP reviewed and relied upon, among other things: (i) discussions with management; (ii) discussions with the Special Committee and its counsel, and with counsel to the Company; (iii) documents provided by the Company with respect to the Arrangement; (iv) access to the electronic data room containing historical and forward-looking non-public material relating to the Company and its investments; (v) certain financial information, analyses and forecasts, including a financial model, prepared by the Company; (vi) historical financial statements for the Company; (vii) Shareholder and insider information published by SEDI and the latest Share information provided by the Company; (viii) comparable trading and transaction multiples for select companies, and select transactions MNP considered relevant; (ix) equity research reports; (x) market research reports prepared by independent third-parties; (xi) economic forecast data; (xii) public filings of the Company; (xiii) the letter of intent provided by the Buyer to the Company dated August 14, 2023; (xiv) successive drafts of the Arrangement Agreement; and (xv) other factors and analyses which MNP has judged, based on its experience rendering such opinions, to be relevant.

Arrangement Steps

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, attached as Appendix "C" to this Circular.

Commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence without any further act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the DSU Plan, shall, without any further action by or on behalf of a holder of Company DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, in accordance with the DSU Plan, subject to any withholding or deduction under the Plan of Arrangement, and each such Company DSU shall immediately be cancelled and (i) the holders of such Company DSUs shall cease to be the holders thereof, and to have any rights as holders of such Company DSUs other than the right to receive the consideration to which they are entitled under the Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company DSUs maintained by or on behalf of the Company;

(b) each Company Option outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Share of such Company Option, subject to any withholding or deduction under the Plan of Arrangement, and each such Option shall immediately be cancelled, and, for greater certainty, where such amount is nil or a negative, the Company shall not be obligated to pay the holder of such Company Option any amount in respect of such Company Option, and (i) the holders of such Options shall cease to be the holders thereof, and to have any rights as holders of such Company Options other than the right to receive the consideration (if any) to which they are entitled under the Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company Options maintained by or on behalf of the Company;

(c) the DSU Plan, the Option Plan and all agreements relating to the Company Options and the Company DSUs shall be terminated and shall be of no further force and effect;

(d) each outstanding Share that has been issued upon exercise of a Company Option within five (5) days prior to, or on, the Effective Date, shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the Consideration, and the name of such holder shall be removed from the register of holders of Shares and the Buyer shall be recorded as the registered holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens;

(e) each outstanding Share held by a Dissenting Shareholder shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear of all Liens, and each Dissenting Shareholder shall cease to be a holder of such Shares and to have any rights as a Shareholder other than the right to be paid an amount for their Shares by the Company in accordance with the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of Shares and such Shares shall be cancelled;

(f) the articles of incorporation of the Company will be amended to (i) create and authorize the issuance of an unlimited number of a new class of shares designated new common shares, (ii) create and authorize the issuance of an unlimited number of a new class of shares designated redeemable preferred shares, and (iii) set out the rights, privileges, restrictions and conditions of the Shares, the New Common Shares and the New Preferred Shares as set out in Schedule "A" of the Plan of Arrangement;

(g) each issued and outstanding Share (including any Shares owned by the Buyer and excluding any Shares held by Dissenting Shareholders that are cancelled pursuant to (e) above) will be exchanged for (i) one New Common Share, and (ii) one New Preferred Share, and the Shares so exchanged will be cancelled, and the name of each holder of a Share so exchanged shall be added to the register of holders of New Common Shares and New Preferred Shares and removed from the register of holders of Shares;

(h) in connection with the exchange of Shares noted above,

(i) the Company will deduct from the stated capital of the Shares an amount equal to the aggregate stated capital, immediately before the exchange, of the Shares;

(ii) the Company will add to the stated capital account of the New Preferred Shares an amount in Canadian dollars equal to the New Preferred Amount; and

(iii) the Company will add to the stated capital account of the New Common Shares an amount in Canadian dollars equal to the amount by which the PUC of the Shares immediately before the exchange exceeds the New Preferred Amount;

(i) each New Preferred Share outstanding (other than the New Preferred Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Preferred Shares held by the Buyer) shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear

of all Liens, in exchange for a payment by the Company to such holder of the New Preferred Per Share Amount, and each such holder shall cease to be a holder of such New Preferred Shares and to have any rights as a holder of New Preferred Shares other than the right to be paid an amount for their New Preferred Shares by the Company in accordance with the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of New Preferred Shares and such New Preferred Shares shall be cancelled; and

(j) each New Common Share outstanding (other than the New Common Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Common Shares held by the Buyer), shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the New Common Per Share Amount pursuant to the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of New Common Shares and the Buyer shall be recorded as the registered holder of the New Common Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens.

Effective Date

The Arrangement will become effective on the date shown on the Certificate of Arrangement to be endorsed by the Director on the Articles of Arrangement giving effect to the Arrangement in accordance with the OBCA.

Expenses of the Arrangement and Sources of Funds

The Company estimates that expenses in the aggregate amount of approximately US$1.37 million will be incurred by it in connection with the Arrangement, including, without limitation, legal, financial advisory, accounting, proxy solicitation, filing fees and costs, the cost of preparing, printing and mailing this Circular, and fees in respect of the Fairness Opinions. See "*Risk Factors – Risks Related to the Arrangement – The Company Will Incur Costs*".

If the Arrangement is approved and assuming no Shareholders exercise their Dissent Rights, under the terms of the Arrangement Agreement, the cost to fund the Consideration is estimated to be approximately $41.3 million, of which approximately $15.9 million will be funded by the Buyer and the balance funded by existing cash resources of the Company. The funds required to settle the outstanding Company DSUs and Company Options under the Arrangement will be funded through existing cash resources of the Company. Except as otherwise expressly provided in the Arrangement Agreement, the parties to the Arrangement Agreement have agreed that all out-of-pocket expenses of the parties relating to Arrangement Agreement or the transactions contemplated under Arrangement Agreement, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors, and printing and mailing costs, shall be paid by the party incurring such expenses.

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the Board (excluding the Conflicted Director) to vote **FOR** the Arrangement Resolution, Shareholders should be aware that some of the directors and officers of the Company have interests in the Arrangement that are different from, or in addition to, the interests of Shareholders generally. In particular, Y. Dov Meyer and Seth Greenspan and their respective associates control the Buyer, which will not receive the Consideration and will retain its Shares in the Company. Other than this interest and the other interests and benefits described below, none of the directors or officers of the Company or, to the knowledge of the directors and officers of the Company, 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 in connection with the Arrangement or that would materially affect the Arrangement. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Canadian Securities Laws Matter*".

Ownership of Securities of the Company and Consideration to be Received

The following table sets out, as of close of business on September 18, 2023, the names and positions of all directors and officers of the Company and his, her or its affiliates, as applicable, having an interest in the Arrangement and, where known after reasonable enquiry, the names of any insiders of the Company and any associates or affiliates of such insiders, in each case, together with the designation, number and percentage of the outstanding securities of

the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each such Person and, where known after reasonable enquiry, by their respective associates or affiliates.

	Securities of the Company Beneficially Owned, Directly or Indirectly or over which Control or Direction is Exercised				
Name and Position with the Company	**Shares**	**Company Options**	**Company DSUs**	**Total Securities**	**%[6]**
Y. Dov Meyer *Executive Chairman of the Board and Executive Vice Chairman of the Company*	418,183[1]	75,000	77,564	570,747	9.01%
Dr. Chris Bart *Director*	54,514	0	52,468	106,982	1.69%
Philip Reichmann *Director*	62,138	0	45,104	107,242	1.69%
Tristan Kingcott[2] *Director*	0	0	0	0	0%
Mike Kirchmair[3] *Director*	0	0	0	0	0%
Glenn Watchorn *President and Chief Executive Officer*	187,527	124,000	25,960	337,487	5.33%
Shelley Ochoa *Chief Financial Officer*	0	0	0	0	0%
Jeremy Scheetz *Managing Director*	100,900	50,000	0	150,900	2.38%
Carolyn Montgomery *Managing Director*	4,900	50,000	17,393	72,293	1.14%
Seth Greenspan *Managing Director*	0	48,000	7,060	55,060	0.87%
Buyer[4]	0	0	0	0	0
Somers Limited[2]	1,124,400	0	0	1,124,400	17.7%
GG North America Investments Limited Partnership[3]	500,000	0	0	500,000	7.89%
Lornglen Developments Limited[5]	16,250	0	0	16,250	0.26%
Pathfinder Asset Management Limited	886,500	0	0	886,500	14.0%
Total	**3,355,312**	**347,000**	**225,549**	**3,927,861**	**62.0%**

Notes:

(1) Includes 19,919 Shares owned by Karen Meyer, 84,949 Shares owned by Meyer Family Foundation and 11,615 Shares owned by Zebu Holdings Limited, all such persons being associates or affiliates, as applicable, of Y. Dov Meyer.

(2) Tristan Kingcott owns, directly or indirectly, or exercises control or direction over Somers Limited.
(3) Mike Kirchmair owns, directly or indirectly, or exercises control or direction over GG North America Investments Limited Partnership.
(4) A portion of the Shares held by Y. Dov Meyer will be transferred to the Buyer prior to the Effective Time.
(5) Lornglen Developments Limited guaranteed the obligations of the Buyer under the Arrangement Agreement.
(6) Percentage ownership of the securities of the Company on a fully-diluted basis.

Company Options

As of close of business on September 18, 2023, the Company had an aggregate of 394,000 Company Options outstanding, all of which are vested. In accordance with the Arrangement, each Company Option outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Share of such Company Option, subject to any withholding or deduction under the Plan of Arrangement, and each such Company Option shall immediately be cancelled.

Company DSUs

As of close of business on September 18, 2023, the Company had an aggregate of 286,960 Company DSUs outstanding, all of which are vested. In accordance with the Arrangement, each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the DSU Plan, shall, without any further action by or on behalf of a holder of Company DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, in accordance with the DSU Plan, subject to any withholding or deduction under the Plan of Arrangement, and each such Company DSU shall immediately be cancelled.

Termination and Change of Control Benefits

Other than as set out in the employment agreements of Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz, Carolyn Montgomery and Shelley Ochoa, there is no employment agreement, compensatory plan or other arrangements in place with the directors or officers of the Company, nor are there any agreements between the Company and the directors or officers that provide for payment to the directors or officers in connection with any termination, resignation, retirement, change in control of the Company or change in responsibilities of the directors or officers.

Pursuant to the employment agreement between the Company and Glenn Watchorn, if his employment is terminated without cause or if a change of control occurs, Mr. Watchorn shall be entitled to a payment of an amount equal to the greater of (i) two times of the current base salary and the average annual bonus paid to Mr. Watchorn in the three prior fiscal years, and (ii) a lump sum payment of a minimum of $500,000 with calculation to include $500,000 for each $100 million of capital managed by the Company.

Pursuant to the employment agreement between the Company and Y. Dov Meyer, if his employment is terminated without cause or if a change of control occurs, Mr. Meyer shall be entitled to a payment of an amount equal to two times of the current base salary and the average annual bonus paid to Mr. Meyer in the three prior fiscal years.

Pursuant to Jeremy Scheetz’s employment agreement, in the event of his termination without cause, or if a change of control occurs, Mr. Scheetz shall be entitled to a payment of an amount equal to 1.0 time plus an additional 1/6 time for each completed year of service to a maximum of 1.5 times of the current base salary and the average annual bonus paid to Mr. Scheetz in the three prior fiscal years.

Pursuant to Carolyn Montgomery's employment agreement, in the event of her termination by the Company, other than in the circumstance of a termination for cause, or, if she terminates her employment within 18 months following a change of control, the Company shall provide her with a severance payment equal to 12 months of annual earnings. For the purpose of calculating the severance payment, “annual earnings” shall be defined as (i) her annual base salary as of the relevant date plus (ii) the average of her annual performance bonuses paid to her for the three immediately preceding years.

Pursuant to Shelley Ochoa's retention agreement, Ms. Ochoa will be eligible for a one-time retention award of $325,000 if the following conditions are met: (i) the Arrangement will have closed, (ii) Ms. Ochoa shall have remained employed with the Company for a period of not less than five months following the closing of the Arrangement (the "**Term**"), and (iii) Ms. Ochoa shall complete the year-end taxes and tax reporting for 2023, assist in the transition of her responsibilities (if applicable), and perform her responsibilities at a level ordinarily expected of a Chief Financial Officer & Corporate Secretary to the satisfaction of the Company, during the Term.

Insurance and Indemnification

The Arrangement Agreement provides that, prior to the Effective Time, the Company shall obtain, and fully pay the necessary premium for, customary "tail" policies of directors' and officers' liability insurance providing protection for a claims reporting or discovery period beginning at the Effective Time and continuing for not less than six years from and after the Effective Date and with terms and conditions that are no less favourable in the aggregate to the protection provided by the policies maintained by the Company that are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events that occurred on or prior to the Effective Date; provided that, the cost of such "tail" policies shall not exceed 250% of the annual premium for the policies currently maintained by the Company and in effect as of the date of the Arrangement Agreement.

The Arrangement Agreement also provides that the Buyer shall, and shall cause the Company and its Subsidiaries to, from and after the Effective Time, honour all rights to indemnification or exculpation existing as of the date of the Arrangement Agreement in favour of present and former officers and directors of the Company and its Subsidiaries, to the extent that they are: (i) included in the Company Constating Documents or the articles and by-laws (or equivalent documents) of any of its Subsidiaries; (ii) provided for by Law; or (iii) disclosed in the Company Disclosure Letter, and acknowledges that such rights shall survive the Effective Time and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date. The Buyer shall, for a period of six years from and after the Effective Date, maintain the "tail" policy set out in the Arrangement Agreement in good standing without reduction in scope or coverage.

Certain Legal and Regulatory Matters

Shareholder Approval

To become effective, the Arrangement Resolution must be approved, with or without variation, by not less than (i) $66^{2}/_{3}$% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded in accordance with MI 61-101. See "*The Arrangement – Certain Legal and Regulatory Matters – Canadian Securities Law Matters*".

Notwithstanding the approval by Shareholders of the Arrangement Resolution, the Arrangement Resolution authorizes the Board (other than the Conflicted Director) to, without notice to or approval of Shareholders, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

Court Approval

The Arrangement requires approval by the Court under Section 182 of the OBCA.

On September 19, 2023, the Company obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached hereto as Appendix "F". The Notice of Application applying for the Final Order approving the Arrangement is attached as Appendix "G".

Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is expected to take place on or about October 24, 2023 at 10:00 a.m. (Toronto time) in the Court at 330 University Avenue, Toronto, Ontario, or as soon thereafter as is reasonably practicable. Any Shareholder who

wishes to appear or be represented and to present evidence or arguments must serve and file a notice of appearance as set out in the Notice of Application for the Final Order and satisfy any other requirements of the Court.

The Court has broad discretion under the OBCA when making orders with respect to arrangements. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, the Articles of Arrangement will be filed with the Director under the OBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Canadian Securities Law Matters

The Company is a reporting issuer (or its equivalent) in each of the provinces of Canada (other than Quebec) and, accordingly, is subject to applicable securities laws of such provinces. The securities regulatory authorities in the Provinces of Ontario, Alberta, Manitoba and New Brunswick have adopted Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). MI 61-101 establishes disclosure, valuation, review and approval processes in connection with certain transactions (business combinations, related party transactions, insider bids, and issuer bids) where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have the potential to receive information, advantages, different consideration or other benefits that are not available to other shareholders.

A transaction in which the interest of a holder of an equity security of an issuer may be terminated without the holder's consent (such as the Arrangement) constitutes a "business combination" for the purposes of MI 61-101 if a "related party" of the issuer (such as a person that has beneficial ownership of, or control or direction over, directly or indirectly, securities of the issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, or a director or senior officer of the issuer, among others) at the time the transaction is agreed to (i) would, as a consequence of the transaction, directly or indirectly acquire the issuer or the business of the issuer, (ii) is a party to any "connected transaction" to the transaction, or (iii) is entitled to receive, directly or indirectly, as a consequence of the transaction a "collateral benefit", among others (and, for a "business combination", each such "related party" also constitutes an "interested party" of the issuer).

The Arrangement is a "business combination" because the Buyer is a "related party" of the Company and (i) the Buyer will retain its Shares and not transfer its Shares and receive the Consideration like Minority Shareholders, (ii) as a consequence of the Arrangement, the Buyer will, directly or indirectly, own all of the Shares, and (iii) certain other directors and officers are entitled to receive, directly or indirectly, as a consequence of the transaction a "collateral benefit", among others (and, for a "business combination", each such "related party" also constitutes an "interested party" of the issuer).

A "collateral benefit", as defined in MI 61-101, includes any benefit that a "related party" of the Company (which includes the directors and senior officers of the Company and its affiliates) is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, director or consultant of the Company or of another person.

However, MI 61-101 excludes from the meaning of collateral benefit certain benefits received by a related party solely in connection with the related party's services as an employee, director or consultant of an issuer or an affiliated entity of the issuer or a successor to the business of the issuer if, among other things, (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) (i) at the time the transaction was agreed to, the related party and its associated entities beneficially own or exercise control or direction, over less than 1% of the outstanding securities of any class of equity securities of the issuer, or (ii) an independent committee, acting in good faith, determines that the value of the collateral benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related

party expects to receive under the terms of the transaction and this determination is disclosed in the disclosure document for the transaction.

For a description of the "benefits" that the directors and senior officers of the Company may be entitled to receive in connection with the Arrangement, see "*The Arrangement – Interests of Certain Persons in the Arrangement*" in this Circular. These "benefits" include the benefit received as a result of the accelerated vesting of the Company DSUs, the exchange of Company Options, and change of control payments (which include payments for base salary, short-term incentives and health benefits, as well as incentive bonuses). Such benefits would constitute "collateral benefits" if not otherwise excluded from the definition of "collateral benefit". Following disclosure by each such director and senior officer to the Special Committee of the number of securities of the Company held by them and the benefits or payments that they expect to receive pursuant to the Arrangement, the Special Committee has determined that the aforementioned benefits or payments to Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz and Philip Reichmann are considered a "collateral benefit" for the purposes of MI 61-101. Accordingly, the Arrangement is considered a "business combination" within the meaning of MI 61-101.

In the absence of an exemption, a "business combination" requires the issuer to obtain a formal valuation. The Company is not required to obtain a formal valuation under MI 61-101 as it is exempt from the formal valuation requirements of MI 61-101 pursuant to subsection 4.4(1)(a) of MI 61-101 on the basis that no securities of the Company are listed or quoted on specified markets.

As the Arrangement is a "business combination" for the purposes of MI 61-101, the minority approval requirements of MI 61-101 will apply in connection with the Arrangement. In addition to obtaining approval of the Arrangement Resolution by at least $66^{2}/_{3}$% of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, approval will also be sought from a simple majority of the votes cast at the Meeting by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by (a) the issuer, (b) an "interested party" (as defined in MI 61-101), (c) a "related party" of an interested party within the meaning of MI 61-101 (subject to the exceptions set out therein), and (d) any person that is a joint actor with any of the foregoing referred to in (b) and (c) for the purposes of MI 61-101.

For the purposes of obtaining minority approval of the Arrangement Resolution, the votes attached to the Shares held by the Buyer, Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz and Philip Reichmann and any affiliate of, or Person acting jointly or in concert with the Buyer, Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz or Philip Reichmann or any other related party of the Buyer, Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz or Philip Reichmann will be excluded in determining approval of the Arrangement Resolution.

To the knowledge of the Company after reasonable inquiry, the Buyer, Y. Dov Meyer, Glenn Watchorn, Jeremy Scheetz and Philip Reichmann and their related parties and any affiliates acting jointly or in concert with such Person hold 784,998 Shares in aggregate, representing approximately 13.9% of the issued and outstanding Shares as of the close of business (Toronto time) on September 18, 2023 which will not be entitled to vote on the majority of the minority vote to approve the Arrangement. Accordingly, the following votes held by such excluded Shareholders will be excluded for the purpose of determining if "minority approval" of the Arrangement Resolution is obtained in accordance with MI 61-101:

Excluded Shareholder	Number of Shares	% of Outstanding Shares
Buyer and Related Parties		
Buyer	0	0%
Y. Dov Meyer	301,700[(1)]	5.34%
Karen Meyer	19,919	0.35%
Lornglen Developments Limited	16,250	0.29%
Meyer Family Foundation	84,949	1.50%
Zebu Holdings Limited	11,615	0.21%

Excluded Shareholder	Number of Shares	% of Outstanding Shares
Directors and Officers		
Glenn Watchorn	187,527	3.32%
Jeremy Scheetz	100,900	1.78%
Philip Reichmann	62,138	1.10%
Total	784,998	13.9%

Notes:

(1) A portion of the Shares held by Y. Dov Meyer will be transferred to the Buyer prior to the Effective Time.

Stock Exchange Delisting and Ceasing Reporting Issuer Status

It is expected that the Shares, which are currently listed for trading on the TSXV, will be de-listed from the TSXV following completion of the Arrangement. The Buyer also expects to apply to have the Company cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada.

THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement and to the Plan of Arrangement, which have been filed by the Company under its SEDAR+ profile at www.sedarplus.ca. Shareholders are encouraged to read the Arrangement Agreement and the Plan of Arrangement (attached as Appendix "C") in their entirety. Capitalized terms used in this summary of the Arrangement Agreement and Plan of Arrangement not otherwise defined have the meanings given to such terms in the Arrangement Agreement.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties made by the Company to the Buyer and customary representations and warranties made by the Buyer to the Company. The representations and warranties were made solely for the purposes of the Arrangement Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms. Moreover, some of the representations and warranties contained in the Arrangement Agreement have been made as of specified dates or are subject to a contractual standard of materiality (including Material Adverse Effect) that are different from what may be viewed as material to Shareholders, or may have been used for the purpose of allocating risk between parties to an agreement instead of establishing such matters as facts. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The customary representations and warranties provided by the Company in favour of the Buyer relate to, among other things: (a) organization and qualification; (b) corporate authorization; (c) execution and binding obligation; (d) governmental authorization; (e) non-contravention; (f) capitalization; (g) shareholders and similar agreements; (h) subsidiaries; (i) securities law matters; (j) financial statements; (k) disclosure controls and internal controls over financial reporting; (l) books and records; (m) no undisclosed liabilities; (n) absence of certain changes or events; (o) related party transactions; (p) compliance with law; (q) authorizations; (r) material contracts; (s) restrictions on conduct of business; (t) real property; (u) personal property; (v) intellectual property; (w) litigation; (x) environmental matters; (y) employees; (z) employee plans; (aa) insurance; (bb) taxes; (cc) anti-terrorism laws; (dd) corrupt practices legislation; (ee) money laundering; (ff) privacy; (gg) anti-spam; (hh) brokers; (ii) fairness opinions; (jj) Board approval; and (kk) no collateral benefit.

The customary representations and warranties provided by the Buyer in favour of the Company relate to, among other things: (a) organization and qualification; (b) ownership; (c) corporate authorization; (d) execution and binding obligation; (e) governmental authorization; (f) available funds; (g) non-contravention; (h) no liabilities; (i) ownership

of Shares; (j) certain arrangements; (k) litigation; (l) residence; (m) Investment Canada and ownership; and (n) the veracity of the Company's representations and warranties.

Covenants

In the Arrangement Agreement, the Company and the Buyer have agreed to certain covenants, certain of which are described below.

Conduct of Business of the Company

Under the Arrangement Agreement, the Company has covenanted and agreed that, subject to certain exceptions, between the date of the Arrangement Agreement and the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms (the "**Interim Period**"), the Company shall, and shall cause each of its Subsidiaries to, conduct its business in the Ordinary Course and in accordance with applicable Laws in all material respects and the Company shall use commercially reasonable efforts to maintain and preserve its and its Subsidiaries' business organization, assets, properties, employees, goodwill and relationships with customers, suppliers, landlords, creditors, investors, partners, employees (as a group) and other Persons with whom the Company or any of its Subsidiaries has business relations. Notwithstanding the foregoing, the Company shall not be deemed to have failed to satisfy the foregoing obligations to the extent such failure resulted from the Company's failure to take any action prohibited by the Arrangement Agreement.

The Company has covenanted and agreed that during the Interim Period, subject to certain exceptions, the Company shall not, and the Company shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend: (A) the constating documents of the Company; (B) the notice of articles, articles of incorporation, articles of amalgamation, LLC Agreement, articles of continuance, by-laws or other constating documents of any Subsidiary that is a corporation; or (C) the declaration of trust, partnership agreement or similar organizational document of any Subsidiary that is not a corporation;

(b) adjust, split, combine, reclassify or amend the terms of any securities of the Company or any of its Subsidiaries;

(c) redeem, repurchase or otherwise acquire or offer to redeem, repurchase or otherwise acquire any securities of the Company or any of its Subsidiaries except for the acquisition of shares in the capital of any Subsidiary of the Company by the Company or by any other Subsidiary of the Company;

(d) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property, or any combination thereof) on any class of securities of the Company or any of its Subsidiaries except for dividends by any of the Company's direct or indirect Subsidiaries to the Company or any of its other Subsidiaries other than the regular quarterly cash dividends declared and paid on the Shares in an amount of $0.06 per Share in a manner consistent with the past practice of the Company and with the timing of the declaration, record and payment dates in any given quarter consistent with such timing for the comparable quarter in the previous fiscal year;

(e) enter into any Contract with respect to the voting rights of any Shares;

(f) issue, grant, deliver, sell, pledge or otherwise encumber (other than Permitted Liens), or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of (other than Permitted Liens), any securities, or any options, warrants or similar rights exercisable or exchangeable for or convertible into any securities, of the Company or any of its Subsidiaries, except for the issuance of Shares issuable upon the valid exercise of the currently outstanding Company Options and Company DSUs in accordance with their terms;

(g) transfer, license, sell, lease, or otherwise dispose of, or pledge, encumber or otherwise subject to any Lien (other than a Permitted Lien), any assets except for assets that are reasonably determined to be obsolete or in the Ordinary Course;

(h) acquire any Person, business, line of business (by merger, consolidation, acquisition of shares or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, or make any

investment in a Person, directly or indirectly, in one transaction or in a series of related transactions, by the purchase of securities, contributions of capital, loan or other advance (other than to wholly owned Subsidiaries), property transfer or the purchase of any property or assets of any Person;

(i) reorganize, restructure, recapitalize, amalgamate or merge the Company or any Subsidiary of the Company;

(j) reduce the stated capital of the shares of the Company or any of its Subsidiaries;

(k) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Company or any of its Subsidiaries;

(l) make any capital expenditure or commitment to do so;

(m) (A) take any action inconsistent with past practice relating to the filing of any Tax Return or the withholding, collecting, remitting and payment of any material Taxes; (B) make any material Tax election or designation; (C) settle or compromise any Tax claim, assessment, reassessment, liability, Proceeding or controversy; (D) file any amended Tax Return; (E) enter into any agreement with a Governmental Entity with respect to Taxes; (F) enter into or change any Tax sharing, Tax advance pricing agreement, Tax allocation or Tax indemnification agreement; (G) surrender any right to claim a Tax abatement, reduction, deduction, exemption, credit or refund; (H) consent to the extension, or waiver of the limitation period applicable to any Tax matter; (I) make a request for a Tax ruling to any Governmental Entity; or (J) amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(n) prepay any long-term indebtedness before its scheduled maturity;

(o) borrow any money or create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof in an amount, on a per-transaction or series of related transactions basis;

(p) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;

(q) (A) increase any severance, change of control or termination pay to (or amend any existing arrangement in relation thereto with) any Company Employee or any director of the Company or any of its Subsidiaries; (B) increase compensation (including wages, salary and fees), retention or incentive compensation or other benefits payable to any Company Employee, director of the Company or any of its Subsidiaries, independent contractor or consultant; (C) without limiting the generality of Section 5.01(b)(xvii) of the Arrangement Agreement, make any bonus payment or comparable payment to any Company Employee, director of the Company or any of its Subsidiaries, independent contractor or consultant; (D) loan or advance money or other property to any Company Employee or any director of the Company or any of its Subsidiaries; (E) establish, adopt, enter into, amend or terminate any Employee Plan (or any plan, agreement, program, policy, trust, fund or other arrangement that would be an Employee Plan if it were in existence on the date hereof) or increase or accelerate the timing of any funding obligation, funding contribution or payment of any compensation or benefits under any Employee Plan; (F) grant any equity-based awards; or (G) hire, retain, engage or terminate (for any reason), or enter into any employment, deferred compensation, severance or termination or other similar agreement (or amend any such existing agreement) with any Company Employee, director of the Company or any of its Subsidiaries, independent contractor or consultant;

(r) make any material change in the Company's methods of accounting, except as required by concurrent changes in IFRS;

(s) waive, release, assign, settle or compromise any Proceeding in a manner that could require a payment by, or release another Person of an obligation to, the Company or any of its Subsidiaries;

(t) amend or modify in any material respect or terminate or waive any material right under any Material Contract or enter into any Contract or agreement that would be a Material Contract if in effect on the date hereof;

(u) enter into any new line of business or discontinue any existing line of business;

(v) amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Company or any Subsidiary in effect on the date of Arrangement Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect; or

(w) authorize, agree, resolve or otherwise commit to do any of the foregoing.

Covenants of the Company Relating to the Arrangement

Other than with respect to Regulatory Approvals, the Company shall, and shall cause its Subsidiaries to, perform all obligations required to be performed by the Company or any of its Subsidiaries under the Arrangement Agreement, co-operate with the Buyer in connection therewith and do all such other commercially reasonable acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by Arrangement Agreement and, without limiting the generality of the foregoing, the Company shall and, where appropriate, shall cause its Subsidiaries to:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) use commercially reasonable efforts to provide, obtain and maintain all third-party notices, consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are: (A) necessary to be obtained under any Contracts (including any Material Contract) in connection with the Arrangement or the Arrangement Agreement or (B) required in order to maintain any Contracts in full force and effect following the completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Buyer, and without paying, and without committing itself or the Buyer to pay, any consideration or incurring any liability or obligation without the prior written consent of the Buyer;

(c) use commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from the Company and its Subsidiaries relating to the Arrangement;

(d) use commercially reasonable efforts to, upon reasonable consultation with the Buyer, oppose, lift or rescind any Order seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any Proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement, the Arrangement Agreement or the transactions contemplated under the Arrangement Agreement; provided that, neither the Company nor any of its Subsidiaries shall consent to the entry of any judgment or settlement with respect to any such Proceeding without the prior written approval of the Buyer, not to be unreasonably withheld, conditioned or delayed; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or any commercially reasonable action not to be taken, which is inconsistent with the Arrangement Agreement or would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the transactions contemplated by the Arrangement Agreement.

The Company has an obligation to notify the Buyer in writing of: (i) any Material Adverse Effect; (ii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the transactions contemplated by the Arrangement Agreement; (iii) unless prohibited by Law, any notice or other communication from any Person (other than Governmental Entities in connection with Regulatory Approvals subject to Section 5.04 of the Arrangement Agreement) in connection with the transactions contemplated by Arrangement Agreement (and the Company shall contemporaneously provide a copy of any such written notice or communication to the Buyer); or (iv) any Proceeding commenced or, to the Company's knowledge, threatened against, relating to or involving, or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated by the Arrangement Agreement.

Covenants of the Buyer Relating to the Arrangement

Subject to Section 5.04 of the Arrangement Agreement, which shall govern in relation to Regulatory Approvals, the Buyer shall perform all obligations required to be performed by it under the Arrangement Agreement, co-operate with the Company in connection therewith and do all such other commercially reasonable acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, the Buyer shall:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law on it with respect to the Arrangement Agreement or the Arrangement;

(b) use commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from the Buyer relating to the Arrangement;

(c) use commercially reasonable efforts to assist the Company in obtaining all consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are required by the Arrangement Agreement;

(d) use commercially reasonable efforts to, upon reasonable consultation with the Company, oppose, lift or rescind any Order seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any Proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement, the Arrangement Agreement or the transactions contemplated under the Arrangement Agreement; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or any commercially reasonable action not to be taken, which is inconsistent with the Arrangement Agreement or would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement.

The Buyer has an obligation to notify the Company in writing of: (i) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the transactions contemplated by Arrangement Agreement; (ii) unless prohibited by Law, any notice or other communication from any Person (other than Governmental Entities in connection with Regulatory Approvals) in connection with the transactions contemplated by the Arrangement Agreement (and the Buyer shall contemporaneously provide a copy of any such written notice or communication to the Company); or (iii) any Proceeding commenced or, to the Buyer's knowledge, threatened against, relating to or involving or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated by the Arrangement Agreement.

Covenants Regarding Regulatory Approvals

As soon as reasonably practicable after the date of the Arrangement Agreement, the Buyer and the Company shall prepare and file all necessary documents, registrations, statements, petitions, filings and applications with any Governmental Entity required to obtain any Regulatory Approvals and use their commercially reasonable efforts to obtain and maintain all Regulatory Approvals. Further the Buyer and the Company shall co-operate and coordinate with one another in connection with obtaining the Regulatory Approvals, including by providing or submitting as promptly as possible all documentation and information that is required or advisable in connection with obtaining the Regulatory Approvals and use their commercially reasonable efforts to ensure that such information does not contain a Misrepresentation.

With respect to obtaining the Regulatory Approvals, each of the Buyer and the Company shall:

(a) co-operate with the other party and keep the other party fully informed as to the status of and the processes and proceedings relating to obtaining the Regulatory Approvals;

(b) promptly notify the other party of any communication from any Governmental Entity relating to any Regulatory Approval and provide the other party with copies of any written communications from any Governmental Entity relating to any Regulatory Approval;

(c) use its commercially reasonable efforts to respond as promptly as reasonably possible to any inquiries or requests received from a Governmental Entity in respect of any Regulatory Approval;

(d) permit the other party to review in advance any substantive proposed written communications of any nature with a Governmental Entity in respect of any Regulatory Approval, give due consideration to any comments or suggestions received from the other party and provide the other party with final copies of all such written communications and provided, however, that commercially confidential or competitively sensitive information may be redacted from the written communications provided to the other party and provided only to such party's outside legal counsel on an external-counsel-only basis; and

(e) not participate in any substantive meeting (whether in person, by phone or otherwise) with a Governmental Entity in respect of any Regulatory Approval unless it consults with the other party in advance and gives such other party an opportunity to attend except to the extent that commercially confidential or competitively sensitive information may be discussed, in which case, the other party's outside legal counsel shall have the right to participate in such meetings on an external-counsel-only basis.

Non-Solicitation Covenants

The Company has provided certain non-solicitation covenants (the "**Non-Solicitation Covenants**") in favour of the Buyer, as set forth below.

From the date of the Arrangement Agreement until the earlier to occur of the termination of the Arrangement Agreement in accordance with the terms of the Arrangement Agreement and the Effective Time, except as expressly provided in the Arrangement Agreement, the Company shall not, and shall cause its Subsidiaries not to, directly or indirectly, through any Representative, Affiliate or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding other than a confidentiality agreement permitted by and in accordance with the Arrangement Agreement) any inquiry, proposal or offer (whether public or otherwise) that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into, engage in, continue or otherwise participate in any discussions or negotiations with any Person (other than the Buyer and its Affiliates) regarding any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to, or otherwise knowingly co-operate with, or participate in, any effort or attempt by any Person to make or complete, an Acquisition Proposal; provided that, for greater certainty, the Company shall be permitted to (i) communicate with any Person for the purposes of clarifying the terms of any inquiry, proposal or offer made by such Person, and (ii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute a Superior Proposal;

(c) make a Change in Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or public disclosure will not be considered to be in violation of the Arrangement Agreement) (or in the event that the Meeting is scheduled to occur within such five Business Day period, for a period ending prior to the Business Day prior to the date of the Meeting); or

(e) accept or enter into, or publicly propose to accept or enter into, any letter of intent, term sheet, memorandum of understanding, merger agreement, acquisition agreement, exchange agreement or any other any agreement, understanding or arrangement with any Person in respect of an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement).

The Company shall, and shall cause its Subsidiaries and its and their respective Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations or other activities commenced prior to the date of Arrangement Agreement with any Person (other than the Buyer and its Affiliates) with respect to any inquiry, proposal or offer that constitutes, or would reasonably be expected to constitute or lead to, an Acquisition Proposal and, in connection with such termination, shall:

(a) promptly discontinue access to, and disclosure of, all information regarding the Company and its Subsidiaries (including any data room and any confidential information, properties, facilities, books and records of the Company or any of its Subsidiaries); and

(b) promptly request, and exercise all rights it has to require: (i) the return or destruction of all copies of any confidential information regarding the Company or its Subsidiaries provided to any Person other than the Buyer, its Affiliates and their respective Representatives and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any of its Subsidiaries, in each case, to the extent that such information has not previously been returned or destroyed and using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

The Company has covenanted and agreed: (i) that the Company shall use commercially reasonable efforts to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement or covenant to which the Company or any Subsidiary is a party and (ii) not to release, and cause its Subsidiaries not to release, any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, use, business purpose or similar agreement or covenant to which the Company or any Subsidiary is a party, without the prior written consent of the Buyer (which may be withheld or delayed in the Buyer's sole and absolute discretion) (it being acknowledged by the Buyer that the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing Arrangement Agreement shall not be a violation of the Arrangement Agreement).

If the Company or any of its Subsidiaries or any of their respective Representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any of its Subsidiaries in connection with such inquiry, proposal or offer (including information, access or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary), the Company shall:

(a) promptly notify the Buyer, at first orally, and then as soon as practicable and in any event within 24 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request and copies of all material written documents, material or substantive correspondence or other material received in respect of, from or on behalf of such Person (including such Acquisition Proposal); and

(b) keep the Buyer fully informed of the status of all material developments and, to the extent permitted by the Arrangement Agreement, discussions and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

Notwithstanding the Non-Solicitation Covenants, if, at any time prior to obtaining the approval of the Arrangement Resolution by the Shareholders, the Company receives a bona fide unsolicited written Acquisition Proposal, the Company may:

(a) contact the Person making such Acquisition Proposal and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal; and

(b) engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal (excluding, for certainty, negotiations regarding a confidentiality agreement permitted by and in accordance with the Arrangement Agreement that does not relate to the terms and conditions of the Acquisition Proposal) and may provide copies of, access to, or disclosure of, confidential information, properties, facilities, books or records of the Company or any of its Subsidiaries, if and only if:

(i) the Board first determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal;

(ii) such Person was not restricted from making the Acquisition Proposal pursuant to an existing standstill or similar restriction with the Company or any of its Subsidiaries;

(iii) the Company has been, and continues to be, in compliance with the Non-Solicitation Covenants ;

(iv) before providing any such copies, access or disclosure, the Company enters into a confidentiality and standstill agreement with such Person that contains customary confidentiality and standstill provisions, and any such copies, access or disclosure provided to such Person shall have been (or promptly be) provided to the Buyer (by posting such information to the Data Room or otherwise); and

(v) before providing any such copies, access or disclosure, the Company provides the Buyer with a true, complete and final executed copy of the confidentiality and standstill agreement, permitted by and in accordance with the Arrangement Agreement.

If, prior to the approval of the Arrangement Resolution by the Shareholders, the Company receives an Acquisition Proposal that the Board (after consultation with its outside legal and financial advisors) determines in good faith constitutes a Superior Proposal, the Board may authorize the Company to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction with the Company or any of its Subsidiaries;

(b) the Company has been, and continues to be, in material compliance with its obligations under the Non-Solicitation Covenants;

(c) the Company has delivered to the Buyer a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation, including a notice as to the value in financial terms that the Board has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal (a "**Superior Proposal Notice**");

(d) the Company has provided the Buyer with a copy of the proposed definitive agreement for the Superior Proposal (if any) and all supporting materials (including any financing documents, subject to customary confidentiality provisions with respect to fee letters or similar information) provided to the Company in connection therewith;

(e) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Buyer received the Superior Proposal Notice and the date on which the Buyer received all of the materials as required by the Arrangement Agreement;

(f) during any Matching Period, the Buyer has had the opportunity (but not the obligation), to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board has determined, in good faith, after consultation with its outside legal and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Arrangement as proposed to be amended by the Buyer under the

Arrangement Agreement) and that the failure by the Board to authorize the Company to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation would be inconsistent with its fiduciary duties; and

(h) prior to or concurrently with entering into such definitive agreement, the Company terminates the Arrangement Agreement and pays the Termination Fee.

During the Matching Period, or such longer period as the Company may approve (in its sole discretion) in writing for such purpose: (i) the Buyer shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement; (ii) the Board shall, in good faith and in consultation with outside legal counsel and financial advisors, review any offer made by the Buyer to amend the terms of the Arrangement Agreement and the Arrangement in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; and (iii) the Company shall, and shall cause its Representatives to, negotiate in good faith with the Buyer to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Buyer to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If, as a consequence of the foregoing, the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Buyer and the Company and the Buyer shall amend the Arrangement Agreement to reflect such offer made by the Buyer and shall take or cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal, and the Buyer shall be afforded a new five Business Day Matching Period from the later of the date on which the Buyer received the Superior Proposal Notice and the date on which the Buyer received all of the materials as required by the Arrangement Agreement with respect to each new Superior Proposal from the Company.

The Board shall promptly reaffirm the Board Recommendation by news release after any Acquisition Proposal that the Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed, or the Board determines that a proposed amendment to the terms of the Arrangement Agreement and the Arrangement as contemplated would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Buyer and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by the Buyer and its outside legal counsel.

If the Company provides a Superior Proposal Notice to the Buyer after a date that is less than ten Business Days before the Meeting, the Company shall be entitled to, and shall upon request from the Buyer, postpone the Meeting to a date that is not more than 15 Business Days after the scheduled date of the Meeting, but in any event to a date that is not less than five Business Days prior to the Outside Date.

Notwithstanding anything to the contrary set forth in the Arrangement Agreement, nothing shall prohibit the Board from (a) making any disclosure prior to the Effective Time prescribed by Law in response to an Acquisition Proposal (including by responding to an Acquisition Proposal under a directors' circular under applicable Securities Laws); provided that, the Company shall provide the Buyer and its outside legal counsel with a reasonable opportunity to review the form and content of such disclosure and shall give reasonable consideration to any comments made by the Buyer and its outside legal counsel or (b) calling or holding a meeting of Shareholders requisitioned by Shareholders in accordance with the OBCA.

Without limiting the generality of the foregoing: (a) the Company shall advise its Subsidiaries and its and their Representatives of the prohibitions set out above in the Non-Solicitation Covenants; (b) any violation of the restrictions set forth in the Non-Solicitation Covenants by the Company, its Subsidiaries or its or their Representatives will be deemed to be a breach of the Non-Solicitation Covenants by the Company; and (c) the Company shall be responsible for any breach of Non-Solicitation Covenants by its Subsidiaries and its Subsidiaries' Representatives.

Pre-Acquisition Reorganization

The Company agreed that, upon the reasonable request of the Buyer, the Company shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to: (a) take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable under Law, to effect such reorganizations of their corporate structure, capital structure, business, operations and assets or such other transactions as the Buyer may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"); and (b) co-operate with the Buyer and its advisors to determine the nature of any Pre-Acquisition Reorganization that might be undertaken and the manner in which it would most effectively be undertaken.

The Company shall not be obligated to participate in any Pre-Acquisition Reorganization unless such Pre-Acquisition Reorganization: (a) can be completed immediately prior to the Effective Date and can be unwound in the event that the Arrangement is not consummated without adversely affecting the Company or the Shareholders; (b) is not, in the opinion of the Company, acting reasonably, prejudicial to the Company or the Shareholders; (c) does not require the Company to obtain the approval of the Shareholders; (d) does not, in the opinion of the Company, acting reasonably, materially interfere with the ongoing operations of the Company or its Subsidiaries; (e) does not result in the withdrawal or material modification of either of the Fairness Opinions; (f) does not require the Company or any of its Subsidiaries to take any action that could reasonably be expected to result in Taxes being imposed on, or any adverse Tax or other consequences to, the Shareholders incrementally greater than the Taxes or other consequences to such party in connection with the completion of the Arrangement in the absence of action being taken pursuant to the Arrangement Agreement; (g) does not result in any (i) breach by the Company or any of its Subsidiaries of applicable Law or the Company Constating Documents or the organizational documents of any Subsidiary, as applicable or (ii) breach by the Company or any of its Subsidiaries of any Material Contract; and (h) does not impair, impede or prevent the ability of the Company to consummate, and will not materially delay the consummation of, the Arrangement.

In accordance with the Arrangement Agreement, a Pre-Acquisition Reorganization shall be effected as close as reasonably practicable to the Effective Time. The Buyer agrees that it will be responsible for all costs and expenses (including Taxes) associated with any Pre-Acquisition Reorganization to be carried out at its request and shall indemnify and save harmless the Company and its Subsidiaries and their respective Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgments and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Acquisition Reorganization (including in respect of any reversal, modification or termination of a Pre-Acquisition Reorganization).

The Buyer must provide written notice to the Company of any proposed Pre-Acquisition Reorganization in reasonable detail at least 15 Business Days prior to the Effective Date. Upon receipt of such notice, the Company and the Buyer shall work co-operatively and use their commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary, including making amendments to the Arrangement Agreement or the Plan of Arrangement, to give effect to such Pre-Acquisition Reorganization. If the Arrangement is not completed, the Buyer or the Guarantor shall forthwith reimburse the Company or at the Company's direction, its Subsidiaries, for all reasonable fees and expenses (including any professional fees and expenses and taxes) incurred by the Company and its Subsidiaries in considering or effecting a Pre-Acquisition Reorganization and shall be responsible for any fees, expenses and costs (including professional fees and expenses and taxes) of the Company and its Subsidiaries in reversing or unwinding any Pre-Acquisition Reorganization that was effected.

If the Arrangement Agreement is terminated (other than as a result of a breach by the Company of the Arrangement Agreement), the Buyer shall forthwith (i) reimburse the Company for all reasonable out-of-pocket costs, fees and expenses incurred by the Company and its Subsidiaries in connection with any proposed Pre-Acquisition Reorganization; and (ii) indemnify the Company and its Subsidiaries and their Representatives (to the extent that such Representatives are assessed with statutory liability therefor) from and against any and all liabilities, losses, damages, claims, penalties, interests, awards, judgments and Taxes suffered or incurred by any of them in connection with implementing, reversing or unwinding any Pre-Acquisition Reorganization that was effected prior to the termination of Arrangement Agreement.

The Buyer has waived any breach of a representation, warranty or covenant by the Company to the extent that such breach is a result of an action taken by the Company or a Subsidiary pursuant to a request by the Buyer in respect of a Pre-Acquisition Reorganization.

Insurance and Indemnification

The Arrangement Agreement provides that, prior to the Effective Time, the Company shall obtain, and fully pay the necessary premium for, customary "tail" policies of directors' and officers' liability insurance providing protection for a claims reporting or discovery period beginning at the Effective Time and continuing for not less than six years from and after the Effective Date and with terms and conditions that are no less favourable in the aggregate to the protection provided by the policies maintained by the Company that are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events that occurred on or prior to the Effective Date; provided that, the cost of such "tail" policies shall not exceed 250% of the annual premium for the policies currently maintained by the Company and in effect as of the date of the Arrangement Agreement.

The Arrangement Agreement also provides that the Buyer shall, and shall cause the Company and its Subsidiaries to, from and after the Effective Time, honour all rights to indemnification or exculpation existing as of the date of the Arrangement Agreement in favour of present and former officers and directors of the Company and its Subsidiaries, to the extent that they are: (i) included in the Company Constating Documents or the articles and by-laws (or equivalent documents) of any of its Subsidiaries; (ii) provided for by Law; or (iii) disclosed in the Company Disclosure Letter, and acknowledges that such rights shall survive the Effective Time and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date. The Buyer shall, for a period of six years from and after the Effective Date, maintain the "tail" policy set out in the Arrangement Agreement in good standing without reduction in scope or coverage.

If the Buyer, the Company or any of its Subsidiaries, or any of their respective successors or assigns: (i) consolidates or amalgamates with, or merges or liquidates into, any other Person and is not a continuing or surviving corporation or entity of such consolidation, amalgamation, merger or liquidation or (ii) transfers all or substantially all of its properties and assets to any Person, the Buyer shall ensure that any such successor or assign (including, as applicable, any acquiror of substantially all of the properties and assets of the Company or its Subsidiaries) assumes all of the obligations set forth in the Arrangement Agreement.

The foregoing shall survive the consummation of the Arrangement and is intended to be for the benefit of the present and former directors and officers of the Company and its Subsidiaries and their respective heirs, executors, administrators and personal representatives and shall be binding on the Buyer, the Company, its Subsidiaries and their respective successors and assigns, and, for such purpose, the Company hereby confirms that it is acting as agent on behalf of such Persons.

Delisting

Prior to the Effective Time, the Company shall cooperate with the Buyer and use commercially reasonable efforts to take, or cause to be taken, all actions, and use commercially reasonable efforts to do or cause to be done all things, reasonably necessary, proper or advisable on its part to enable the delisting by the Company of the Shares from the TSXV, effective as of the close of trading on the Effective Date.

Conditions of Closing

Mutual Conditions

The parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of each of the parties:

(a) the Arrangement Resolution has been approved and adopted at the Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order have each been obtained on terms consistent with the Arrangement Agreement and have not been set aside or modified in a manner unacceptable to either the Company or the Buyer, each acting reasonably, on appeal or otherwise; and

(c) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Buyer from consummating the Arrangement.

Additional Conditions to the Obligations of the Buyer

The Buyer is not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Buyer and may only be waived, in whole or in part, by the Buyer in its sole discretion:

(a) (i) certain representations and warranties made by the Company shall be true and correct in all material respects as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), (ii) certain representations and warranties made by the Company shall be true and correct in all respects (except for de minimis errors) as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) and (iii) the other representations and warranties made by the Company in the Arrangement Agreement shall be true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored), and the Company shall have provided to the Buyer a certificate of two senior officers of the Company certifying the foregoing and dated the Effective Date;

(b) the Company shall have fulfilled or complied in all material respects with each of the covenants of the Company contained in the Arrangement Agreement to be fulfilled or complied with by it on or before the Effective Time and the Company shall have provided to the Buyer a certificate of two senior officers of the Company certifying the foregoing and dated the Effective Date;

(c) there is no Proceeding pending or threatened to: (i) prohibit the consummation of the Arrangement; (ii) cease trade, enjoin, prohibit or impose any limitations on the Buyer's ability to acquire, hold or exercise full rights of ownership over any Shares upon completion of the Arrangement; or (iii) prohibit the ownership or operation by the Buyer of the business of the Company or any of its Subsidiaries or any material portion of the business or assets of the Company or any of its Subsidiaries following completion of the Arrangement.

(d) since the date of the Arrangement Agreement, there shall not have been or occurred a Material Adverse Effect;

(e) the Additional Cash Amount shall be no less than US$22 million as of the Effective Time, less the aggregate amount of any severance, change of control or termination payments paid by the Company to Company Employees, with the prior written consent of the Buyer, prior to the Effective Time;

(f) subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent contained in the Arrangement Agreement in favour of the Buyer (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the Company has deposited or caused to be deposited in escrow in accordance with the Arrangement Agreement, the fund required to be deposited pursuant to the Arrangement Agreement; and

(g) Dissent Rights have not been exercised (or, if exercised, remain outstanding) with respect to more than 10% of the issued and outstanding Shares and the Company shall have provided to the Buyer a certificate of two senior officers of the Company certifying the foregoing and dated the Effective Date.

Additional Conditions to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(a) the representations and warranties made by the Buyer in the Arrangement Agreement shall be true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, would not reasonably be expected individually or in the aggregate to prevent or materially impair or materially delay the completion of the Arrangement (and, for this purpose, any reference to "material" or other concepts of materiality in such representations and warranties shall be ignored) and the Buyer shall have provided to the Company a certificate of two senior officers of the Buyer certifying the foregoing dated the Effective Date;

(b) the Buyer shall have fulfilled or complied in all material respects with its covenants contained in the Arrangement Agreement to be fulfilled or complied with by it on or before the Effective Time and the Buyer shall have provided to the Company a certificate of two senior officers of the Buyer certifying the foregoing dated the Effective Date; and

(c) subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent contained herein in its favour (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the Buyer has deposited or caused to be deposited with the Depositary in escrow in accordance with the Arrangement Agreement, the funds required to be deposited pursuant to the Arrangement Agreement.

Term and Termination

The Arrangement Agreement shall be effective from the date of the Arrangement Agreement until the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms.

The Arrangement Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Company and the Buyer;

(b) either the Company or the Buyer if:

(i) the Arrangement Resolution is not approved by the Shareholders at the Meeting in accordance with the Interim Order; provided that, a party may not terminate the Arrangement Agreement if the failure to obtain approval of the Arrangement Resolution has been caused by, or is a result of, a breach by such party of any of its representations or warranties or the failure of such party to perform any of its covenants or agreements under the Arrangement Agreement;

(ii) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Buyer from consummating the Arrangement and such Law has, if appealable, become final and non-appealable; provided that the party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

(iii) the Effective Time does not occur on or prior to the Outside Date; provided that, a party may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such party of any of its representations or warranties or the failure of such party to perform any of its covenants or agreements under the Arrangement Agreement.

(c) the Company if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Buyer under the Arrangement Agreement occurs that would cause certain closing conditions not to be satisfied and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that, the Company is not then in breach of the Arrangement Agreement so as to directly or indirectly cause certain closing conditions not to be satisfied;

(ii) prior to the approval of the Arrangement Resolution by the Shareholders, the Board authorizes the Company to enter into a definitive written agreement (other than a confidentiality agreement permitted by and in accordance with the Arrangement Agreement) with respect to a Superior Proposal in accordance with the Arrangement Agreement; provided that, the Company is then in compliance with the Non-Solicitation Covenants of the Arrangement Agreement and that prior to or concurrent with such termination the Company pays the Termination Fee in accordance the Arrangement Agreement; or

(iii) the closing conditions have been satisfied or waived by the applicable party or parties (excluding the funding condition and the conditions that, by their terms, cannot be satisfied until the Effective Date, in which case, there is no state of facts or circumstances then existing that would cause such conditions not to be satisfied) and the Buyer has failed to comply with its obligations to fund the Depositary.

(d) the Buyer if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any certain closing conditions not to be satisfied and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that, the Buyer was not aware of such breach of representation or warranty as of the date of Arrangement Agreement and is not then in breach of Arrangement Agreement so as to directly or indirectly cause certain closing conditions not to be satisfied;

(ii) prior to the approval of the Arrangement Resolution by the Shareholders: (i) the Board fails to unanimously recommend or the Board or Special Committee withdraws, amends, modifies or, in a manner adverse to the Buyer, qualifies, or publicly proposes or states an intention to withdraw, amend, modify or, in a manner adverse to the Buyer, qualify, the Board Recommendation; (ii) the Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or in the event that the Meeting is scheduled to occur within such five Business Day period, for such shorter period ending prior to the Business Day prior to the date of the Meeting); (iii) the Board accepts, approves, endorses, recommends or authorizes the Company or any of its Subsidiaries to execute or enter into any agreement, understanding or arrangement with respect to an Acquisition Proposal (other than a confidentiality agreement permitted by and in accordance with the Arrangement Agreement); (iv) the Board fails to publicly recommend or reaffirm by news release the Board Recommendation within five Business Days after having been requested in writing by the Buyer to do so (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the Business Day prior to the date of the Meeting) (in each of the cases set forth in the foregoing paragraphs, a "**Change in Recommendation**"); or (v) the Company breaches Article VI of the Arrangement Agreement in any material respect; or

(iii) there has occurred a Material Adverse Effect that is incapable of being cured on or before the Outside Date.

Termination Fees

If a Termination Fee Event occurs, the Company shall pay the Buyer (or as the Buyer may direct) the Termination Fee in accordance with the Arrangement Agreement.

For the purposes of the Arrangement Agreement, "**Termination Fee**" means $1,300,000 and "**Termination Fee Event**" means the termination of the Arrangement Agreement:

(a) by the Company as a result of a breach by the Buyer of the Arrangement Agreement;

(b) by the Buyer as a result of a breach by the Company of the Arrangement Agreement;

(c) by the Company or the Buyer if the Arrangement Resolution is not approved by Shareholders or if the Effective Time does not occur prior to the Outside Date (but in the case of a termination by the Company, only if Buyer has the right to terminate the Arrangement Agreement as a result of the Effective Time not occurring prior to the Outside Date) or by the Buyer pursuant to if the Arrangement Resolution is not approved by Shareholders due to a material breach on the part of the Company if: (A) after the date of the Arrangement Agreement and prior to such termination, an Acquisition Proposal (whether or not the same Acquisition Proposal was made by the same Person prior to the date of the Arrangement Agreement) is made or publicly announced or otherwise publicly disclosed by any Person (other than the Buyer or any of its Affiliates) or an intention to make an Acquisition Proposal is publicly announced by any Person (other than the Buyer or any of its Affiliates); and (B) within 12 months following the date of such termination (1) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in the immediately foregoing clause (A)) is consummated or effected or (2) the Company and/or any of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a definitive agreement in respect of any Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement).

For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning given to such term in the Arrangement Agreement except that references to "20% or more" shall be deemed to be references to "50% or more".

Amendments and Waivers

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the parties, without further notice to or authorization on the part of the Shareholders, and any such amendment may, subject to the Interim Order and the Final Order and Laws, without limitation:

(a) change the time for performance of any of the obligations or acts of the parties;

(b) waive any inaccuracy or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement;

(c) waive compliance with or modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the parties; or

(d) waive compliance with or modify any mutual conditions contained in the Arrangement Agreement.

For greater certainty, the Arrangement Agreement and the Plan of Arrangement may not be amended after the Effective Time unless it concerns a matter which, in the reasonable opinion of the Buyer, is of an administrative or ministerial nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the economic interest of any former holder of Shares or holder of Company DSUs or Company Options. No waiver of any of the provisions of the Arrangement Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under the Arrangement Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right. Notwithstanding the foregoing, following the Effective Time, the Company shall not be entitled to waive any provision of the Arrangement Agreement, including in respect of the obligations of the Guarantors, unless such waiver has been consented to by one or more former independent directors of the Company.

PROCEDURES FOR THE SURRENDER OF CERTIFICATES AND PAYMENT OF CONSIDERATION

Depositary Agreement

Pursuant to the Arrangement Agreement and the Plan of Arrangement, following receipt of the Final Order and immediately prior to the filing by the Company of the Articles of Arrangement with the Director:

(a) the Buyer shall provide, or cause to be provided to, the Depositary an amount of funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Buyer, acting reasonably) equal to (i) the Aggregate Consideration, less (ii) the New Preferred Amount less an amount equal to (X) the New Preferred Per Share Amount multiplied by (Y) the sum of the number of Shares held by the Buyer at the Effective Time and the number of Shares issued upon the exercise of a Company Option within five (5) days prior to, or on, the Effective Date; and

(b) the Company shall provide, or cause to be provided to, the Depositary an amount of funds in Canadian dollars to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Buyer, acting reasonably) equal to (i) the New Preferred Amount less (ii) an amount equal to (X) the New Preferred Per Share Amount multiplied by (Y) the sum of the number of Shares held by the Buyer at the Effective Time and the number of Shares issued upon the exercise of a Company Option within five (5) days prior to, or on, the Effective Date.

Certificates and Payment

Upon surrender to the Depositary for cancellation of a certificate or direct registration statement (DRS) advice (a "**DRS Advice**") which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal, and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate or DRS Advice shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time (in each case, less any amounts withheld pursuant to the Plan of Arrangement), the aggregate Consideration to which such holder is entitled to under the Arrangement, without interest, in the manner of payment as indicated on such holder's duly completed and executed Letter of Transmittal. For greater certainty, if a Shareholder submits more than one valid Letter of Transmittal, such holder shall be treated as a separate Shareholder in respect of each valid Letter of Transmittal submitted.

On or as soon as practicable after the Effective Date, the Company shall deliver or caused to be delivered to each holder of Company DSUs and Company Options, as reflected on the register maintained by or on behalf of the Company in respect of Company DSUs and Company Options, or to such other Person as such holder may direct, the cash payment, if any, which such holder of Company DSUs and Company Options has the right to receive under the Plan of Arrangement for such Company DSUs and Company Options, less any amount withheld pursuant to the Plan of Arrangement, either (i) pursuant to the normal payroll practices and procedures of the Company; or (ii) by cheque.

Until surrendered as contemplated by the Plan of Arrangement, each certificate or DRS Advice which immediately prior to the Effective Time represented one or more Shares shall be deemed at all times to represent only the right to receive in exchange therefor the entitlements which the holder of such certificate is entitled to receive in accordance with the Plan of Arrangement. Any such certificate or DRS Advice that immediately prior to the Effective Time represented outstanding Shares not duly surrendered with all other documents required by the Plan of Arrangement on the date which is six years less a day from the Effective Date shall cease to represent a claim by or interest of any former holder thereof of any kind or nature, including a claim for dividends or other distributions, against or in the Company, the Depositary or the Buyer. Any (i) amounts deposited with the Depositary for the payment of Consideration to the Shareholders or (ii) payments to be made by the Company for the payment of Consideration to the holders of Company Options and Company DSUs pursuant to the Plan of Arrangement which remain unclaimed on the date which is six years less a day from the Effective Date shall be forfeited to the Buyer, together with any claim or interest of any former holder of any kind or nature, including a claim for dividends or other distributions against the Company, the Depositary or the Buyer, and paid over to or as directed by the Buyer, and the

former Shareholder shall thereafter have no right to receive their respective entitlement to the Consideration pursuant to the Plan of Arrangement, as applicable.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were exchanged pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the submission of a Letter of Transmittal completed to the best of their ability to the Depositary, together with certain other documents outlined in the Letter of Transmittal, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the consideration that such person is entitled to receive pursuant to the Plan of Arrangement, deliverable in accordance with such holder's Letter of Transmittal. When authorizing the delivery of such consideration in exchange for any lost, stolen or destroyed certificate, the person to whom the consideration is being delivered shall, as a condition precedent to the delivery of such consideration, give a bond satisfactory to the Company, the Buyer and the Depositary (each acting reasonably) in such sum as the Company, the Buyer or the Depositary may direct and shall indemnify the Company, the Buyer and the Depositary in a manner satisfactory to the Company, the Buyer and the Depositary (each acting reasonably) against any claim that may be made against the Company, the Buyer or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

Each of the Buyer, the Company, the Depositary or any other person that makes a payment hereunder shall be entitled to deduct and withhold from the amounts otherwise payable to any person under the Plan of Arrangement or any amount contemplated therein, such amounts as it is directed to deduct and withhold or it may be required to deduct and withhold with respect to such payment under the Tax Act or any provision of any applicable Laws and remit such deduction and withholding amount to the appropriate Governmental Entity. To the extent that amounts are so properly deducted, withheld and remitted, such deducted, withheld and remitted amounts shall be treated for all purposes of the Arrangement Agreement and the Arrangement as having been paid to such person in respect of which such deduction and withholding and remittance was made.

No holder of Shares, Company DSUs and Company Options shall be entitled to receive any consideration with respect to such Shares, Company DSUs or Company Options other than any cash payment to which such holder is entitled to receive in accordance with the Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

Letter of Transmittal

Registered Shareholders will have received with this Circular a Letter of Transmittal. In order to receive the Consideration, Registered Shareholders must complete and sign the applicable Letter of Transmittal enclosed with this Circular and deliver it and any additional documents required by it, including the certificate(s) or DRS Advice(s) representing the Shares, to the Depositary in accordance with the instructions contained in the applicable Letter of Transmittal. Registered Shareholders can obtain additional copies of the applicable Letter of Transmittal by contacting the Depositary. The form of Letter of Transmittal is also available on SEDAR+ at www.sedarplus.ca.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. Non-Registered Holders must contact their Intermediary to arrange for the surrender of their Shares.

The Buyer reserves the right, if it so elects, in its absolute discretion, to determine whether any type of deposit of Shares with the Depositary is complete and proper and to determine whether to instruct the Depositary to waive or not to waive any and all defects or irregularities in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Buyer reserve the right to demand strict compliance with the terms of the Letters of Transmittal and the Arrangement. The method used to deliver the Letters of Transmittal and any accompanying certificate(s) or DRS Advice(s) representing the Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company and the Buyer recommend that the necessary documentation be hand delivered to the Depositary at the address set out on the back of the Letter of Transmittal, and a receipt obtained; otherwise, the use of registered mail or courier with return receipt requested, and with proper insurance obtained, is recommended. A Shareholder whose Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in depositing such Shares.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on the date that is six years less a day from the Effective Date, and any right or claim to payment thereunder that remains outstanding on the date that is six years less a day from the Effective Date shall cease to represent a claim by or interest of any former holder of any kind or nature, including a claim for dividends or other distributions, against the Company, the Buyer or Computershare, and the right of the holder to receive the applicable consideration for the Shares pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Buyer for no consideration.

Holders of Company Options and Company DSUs need not complete any documentation to receive the consideration owed to them under the Arrangement in respect of their Company Options and Company DSUs (as applicable).

DISSENT RIGHTS OF SHAREHOLDERS

Registered Shareholders have been provided with the right to dissent in respect of the Arrangement Resolution in the manner provided in Section 185 of the OBCA, as modified by the Interim Order and the Plan of Arrangement (the "**Dissent Rights**"). The following summary is qualified in its entirety by the provisions of Section 185 of the OBCA, the Interim Order and the Plan of Arrangement. It is a condition to completion of the Arrangement in favour of the Buyer that Dissent Rights shall not have been exercised in respect of more than 10% of the issued and outstanding Shares.

Any Registered Shareholder who properly exercises Dissent Rights (a "**Dissenting Shareholder**") may be entitled, in the event the Arrangement becomes effective, to be paid by the Company fair value of the Shares held by such Dissenting Shareholder, which fair value, notwithstanding anything to the contrary contained in the OBCA, shall be determined as of the close of business on the day immediately before the approval of the Arrangement Resolution. A Dissenting Shareholder will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares. Shareholders are cautioned that fair value could be determined to be less than the amount per Share payable pursuant to the terms of the Arrangement.

Section 185 of the OBCA provides that a Dissenting Shareholder may only make a claim under that section with respect to all of the Shares held by the Dissenting Shareholder on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. One consequence of this provision is that a Registered Shareholder may exercise Dissent Rights only in respect of Shares that are registered in that Registered Shareholder's name.

In many cases, Shares beneficially owned by a Non-Registered Holder are registered either: (a) in the name of an Intermediary; or (b) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise its Dissent Rights directly (unless the Shares are re-registered in the Non-Registered Holder's name). A Non-Registered Holder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Holder deals in respect of its Shares and either: (a) instruct the Intermediary to exercise Dissent Rights on the Non-Registered Holder's behalf (which, if the Shares are registered in the name of CDS or other clearing agency, may require that such Shares first be re-registered in the name of the Intermediary), or (b) instruct the Intermediary to re-register such Shares in the name of the Non-Registered Holder, in which case the Non-Registered Holder would be able to exercise Dissent Rights directly.

A Registered Shareholder who wishes to dissent must provide a written notice of objection (a "**Dissent Notice**") to the Company c/o Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9, Attention: Ryan Morris or by facsimile (416-863-2653) or by e-mail at: ryan.morris@blakes.com to be received no later than 4:00 p.m. (Toronto Time) on October 17, 2023 or 4:00 p.m. (Toronto Time) or the date that is at least two Business Days immediately prior to any date to which the Meeting may be adjourned or postponed. Failure to properly exercise Dissent Rights may result in the loss or unavailability of the right to dissent. For greater certainty, pursuant to the Plan of Arrangement, in no circumstances shall the Buyer, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person (i) is the registered holder of those Shares in respect of which such rights are sought to be exercised, and (ii) has strictly complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting. However, no Registered Shareholder who votes or has instructed a proxyholder to vote Shares in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights. A vote against the Arrangement Resolution, an abstention from voting, or a proxy submitted instructing a proxyholder to vote against the Arrangement Resolution does not constitute a Dissent Notice, but a Registered Shareholder need not vote its Shares against the Arrangement Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxyholder to vote **FOR** the Arrangement Resolution does not constitute a Dissent Notice. However, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Arrangement Resolution, should be validly revoked in order to prevent the proxyholder from voting such Shares in favour of the Arrangement Resolution and thereby causing the Registered Shareholder to forfeit his, her or its Dissent Rights.

Within 10 days after the Shareholders approve the Arrangement Resolution, the Company is required to notify each Dissenting Shareholder that the Arrangement Resolution has been approved. Such notice is not required to be sent to any Shareholder who voted **FOR** the Arrangement Resolution or who has withdrawn its Dissent Notice.

A Dissenting Shareholder who has not withdrawn its Dissent Notice prior to the Meeting must then, within 20 days after receipt of notice that the Arrangement Resolution has been approved, or if a Dissenting Shareholder does not receive such notice, within 20 days after learning that the Arrangement Resolution has been approved, send to the Company a written notice containing his, her or its name and address, the number and class of Shares in respect of which he or she dissents (the "**Dissenting Shares**"), and a demand for payment of the fair value of such Shares (the "**Demand for Payment**"). Within 30 days after sending a Demand for Payment, a Dissenting Shareholder must send to the Company certificates representing the Shares in respect of which he or she dissents. The Company will, or will cause its Transfer Agent to, endorse on the applicable share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return such Share certificates to a Dissenting Shareholder.

Failure to comply with the requirements set forth in subsections 185(6), (10) and (11) of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of any right to dissent.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any rights as a Shareholder in respect of its Dissenting Shares other than the right to be paid the fair value of the Dissenting Shares held by such Dissenting Shareholder, except where: (a) a Dissenting Shareholder withdraws its Dissent Notice before the Purchaser makes an offer to pay (an "**Offer to Pay**"); or (b) the Buyer fails to make an Offer to Pay and a Dissenting Shareholder withdraws the Demand for Payment, in which case a Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date of the Demand for Payment.

Pursuant to the Plan of Arrangement, in no case shall the Buyer, the Company, the Depositary, the Transfer Agent or any other person be required to recognize a Dissenting Shareholder as a holder of Shares after completion of the transactions set out in Section 3.1(e) of the Plan of Arrangement and the name of each Dissenting Shareholder shall be deleted from the register of holders of Shares as at the time of the transactions provided in Section 3.1(e) of the Plan of Arrangement.

For greater certainty, (i) no holder of Company DSUs or Company Options shall be entitled to Dissent Rights in respect of such holder's Company DSUs or Company Options, as applicable, and (ii) in addition to any other restrictions under the Interim Order and the OBCA, no holders of Shares who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights.

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Shares by the Company, shall transfer and be deemed to have transferred their Shares to the Company for the right to receive a payment in cash equal to the Consideration per such Share as set out in the Plan of Arrangement (and, in connection therewith, the Buyer and the Company shall, as soon as reasonably practicable following the determination that such Shareholder is not ultimately entitled to be paid the fair value for their Shares, deliver or cause to be delivered to the Depositary sufficient cash to pay in full such Shareholder the aggregate amount of such Consideration, with such cash to be held for any such Shareholder in accordance with the Plan of Arrangement).

The Company is required, not later than seven days after the later of the Effective Date or the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment an Offer to Pay for its Dissenting Shares in an amount considered by the Board to be the fair value of the Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay for Shares of the same class must be on the same terms. The Company must pay for the Dissenting Shares of a Dissenting Shareholder within 10 days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if the Company does not receive an acceptance within 30 days after the Offer to Pay has been made.

If the Company fails to make an Offer to Pay for Dissenting Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, the Company may, within 50 days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value for the Dissenting Shares. If the Company fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Before the Company makes an application to a court or not later than seven days after a Dissenting Shareholder makes an application to a court, the Company will be required to give notice to each Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel. Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any Person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissenting Shares of all Dissenting Shareholders. The final order of a court will be rendered against the Company in favour of each Dissenting Shareholder for the amount of the fair value of its Dissenting Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

There can be no assurance that the fair value of Dissenting Shares as determined under the applicable provisions of the OBCA, as modified by the Interim Order and the Plan of Arrangement, will be greater than or equal to the Consideration under the Arrangement Agreement. Judicial determination of fair value could delay payment of Consideration in respect of Dissenting Shares.

The foregoing is only a summary of the provisions of the OBCA regarding the rights of Dissenting Shareholders (as modified by the Plan of Arrangement and the Interim Order), which are technical and complex. Shareholders are urged to review a complete copy of Section 185 of the OBCA, attached as Appendix "H" to this Circular, and those Shareholders who wish to exercise Dissent Rights are also advised to seek legal advice, as failure to comply strictly with the provisions of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss or unavailability of their Dissent Rights.

INFORMATION CONCERNING THE COMPANY

General

Terra Firma Capital Corporation is a publicly traded real estate finance company that provides real estate financings secured by investment properties and real estate developments in the United States and Canada. The Company focuses on arranging and providing financing with flexible terms to real estate developers and owners who require shorter-term loans to bridge a transitional period of one to five years where they require capital at various stages of development or redevelopment of a property. These loans are typically repaid with lower cost, longer-term debt obtained from other Canadian financial institutions once the applicable transitional period is over or the redevelopment is complete, or from proceeds generated from the sale of the real estate assets.

The Company was incorporated under the OBCA on July 26, 2007, and amended its articles on September 20, 2019 to consolidate its share capital on the basis of one post-consolidation Share for each ten pre-consolidation Shares. The Shares trade on the TSXV under the symbol "TII". The head and registered office of the Company is located at 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2.

Description of Share Capital

The Company is authorized to issue an unlimited number of shares of one class, designated as Common Shares. As at the Record Date, there were 5,654,134 Shares issued and outstanding.

Holders of Shares are entitled to receive: (i) notice of and to attend and vote at all meetings of the Shareholders, and each Share has the right to one vote in person or by proxy at all meetings of the Shareholders; (ii) dividends if, as and when declared by the Board, and in the amount per Share as determined by the Board at the time of declaration; and (iii) return of capital and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary or any other distribution of the assets of the Company among the Shareholders for the purpose of winding-up its affairs. Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting.

Trading in Shares

The Shares are currently listed for trading on the TSXV under the symbol "TII". It is expected that the Shares, which are currently listed for trading on the TSXV, will be de-listed from the TSXV following completion of the Arrangement. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Stock Exchange Delisting and Ceasing Reporting Issuer Status*".

The following table summarizes the monthly range of high and low prices per, as well as the total monthly trading volumes of the Shares on the TSXV during the twelve (12)-month period preceding the date of this Circular:

Month	High	Low	Volume
September 1-19, 2023	$7.23	$7.05	157,320
August 2023	$7.35	$6.90	35,290
July 2023	$7.22	$5.55	36,800
June 2023	$6.25	$5.60	20,725
May 2023	$6.12	$5.50	5,075
April 2023	$6.18	$5.65	5,903
March 2023	$6.67	$5.91	18,659
February 2023	$6.55	$6.00	12,199
January 2023	$6.55	$5.32	18,551
December 2022	$5.35	$4.07	17,594
November 2022	$4.35	$4.00	7,441
October 2022	$4.99	$4.00	7,981
September 2022	$5.65	$4.75	2,244

On August 30, 2023, the last trading day before the announcement of the Arrangement, the closing price of the Shares on the TSXV was $6.90. The closing price of the Shares on the TSXV on September 19, 2023, the last trading day before the date of this Circular, was $7.20.

Prior Sales

Other than pursuant to the exercise of Company Options and Company DSUs, or as described under the heading "*Information Concerning the Company – Previous Distributions*", no Shares or other securities of the Company have been purchased or sold by the Company during the twelve (12)-month period preceding the date of this Circular.

Previous Distributions

Excluding any Shares pursuant to the exercise of Company Options and Company DSUs or other securities with conversion rights, no Shares were distributed during the five-year period preceding the date of this Circular.

Dividend Policy

Although the Company does not have a formal dividend policy, the Company announced on June 12, 2019 that as part of the Company's long-term strategy to maximize shareholder value, the Board will start paying quarterly dividends to Shareholders. The Board determines the level of dividend payments.

In October 2021, the Company paid a quarterly cash dividend of $0.05 per Share, and from January 2022 to July 2023, the Company paid a quarterly cash dividend of $0.06 per Share. When declared, cash dividends are made on the 15th day (or if such date is not a business day, on the next business day) following the end of each calendar quarter to Shareholders of record on the last day of each such calendar quarter or such other date as determined from time to time by the Board.

All dividend payments will be based upon, among other things, the cash flow, results of operations and financial condition of the Company, the needs for funds to finance ongoing operations, and other business considerations as the Board considers relevant at such time.

INFORMATION CONCERNING THE BUYER

The Buyer is a corporation formed under the OBCA, with its registered office at 102 Prue Avenue, Toronto, Ontario, M6B 1R5. The Buyer is controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company, and their respective associates.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder of Shares who disposes of Shares pursuant to the Arrangement. This summary is applicable only to a Shareholder who, at all relevant times, for purposes of the Tax Act: (a) deals at arm's length with the Company and the Buyer; (b) is not affiliated with the Company or the Buyer; and (c) holds Shares as capital property (a "**Holder**"). Generally, Shares will be capital property to a Holder unless the Shares are held or were acquired in the course of carrying on a business of buying or selling securities or as part of an adventure or concern in the nature of trade. Certain Resident Holders (as defined herein) may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which would be to deem to be capital property any Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders whose Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election having regard to their particular circumstances.

This summary is also not applicable to a Holder who acquired such Shares pursuant to any equity-based employment compensation plan (including the Option Plan) or otherwise in connection with employment. In addition, this summary does not describe the tax consequences of the Arrangement to holders of DSUs or any other equity-based employment compensation plan. Such holders should consult their own tax advisors.

This summary is not applicable to a Holder (i) that is a "specified financial institution", (ii) an interest in which is a "tax shelter investment", (iii) that is a "financial institution" for purposes of certain rules applicable to securities held by financial institutions (referred to as the "mark-to-market" rules), (iv) that has made an election pursuant to the functional currency reporting election rules in the Tax Act to report the Holder's "Canadian tax results" in a currency other than Canadian currency, (v) that is exempt from tax under Part I of the Tax Act, or (vi) that has entered into a "derivative forward agreement" or "synthetic disposition arrangement", as those terms are defined in the Tax Act, in respect of the Shares. Such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

This summary is based on the current provisions of the Tax Act, and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Amendments will be enacted as proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices whether by legislative, regulatory, administrative or judicial action or decision, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction which may be different from those discussed herein. This summary assumes that, at all relevant times prior to and including the time of acquisition of the Shares by the Company (from Dissenting Shareholders or in exchange for New Common Shares and New Preferred Shares), the Shares will be listed on the TSXV.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is, or is deemed to be, resident in Canada (a "**Resident Holder**").

Share Exchange

Pursuant to the Arrangement, Shareholders (excluding Dissenting Shareholders and excluding those whose Shares have been issued upon the exercise of a Company Option within five (5) days of the Effective Date) will exchange each Share for one New Common Share and one New Preferred Share. A Resident Holder who disposes of Shares in this manner will be deemed to dispose of their Shares for proceeds of disposition equal to the aggregate adjusted cost base to the Resident Holder of such Shares immediately before the disposition and, accordingly, will not realize a capital gain or a capital loss upon such disposition. A Resident Holder will acquire New Common Shares and New Preferred Shares with an aggregate cost for purposes of the Tax Act equal to the adjusted cost base to the Resident Holder of their Shares immediately before the disposition, with such cost being allocated among the New Common Shares and the New Preferred Shares in proportion to their respective fair market values.

Disposition of New Preferred Shares

The PUC for purposes of the Tax Act of each New Preferred Share will be equal to the New Preferred Per Share Amount. Accordingly, upon the purchase for cancellation of the New Preferred Shares by the Company pursuant to the Arrangement, Resident Holders should not be deemed to receive a dividend.

Generally, a Resident Holder who disposes of New Preferred Shares pursuant to the Arrangement will realize a capital gain (or capital loss) equal to the amount, if any, by which the aggregate consideration received for such Shares (being the New Preferred Per Share Amount for each New Preferred Share), net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base to the Resident Holder of such New Preferred Shares immediately before the disposition.

Disposition of New Common Shares

Generally, a Resident Holder who disposes of New Common Shares pursuant to the Arrangement will realize a capital gain (or capital loss) equal to the amount, if any, by which the aggregate consideration received for such New Common Shares (being, for each New Common Share, the Consideration less the New Preferred Per Share Amount), net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base to the Resident Holder of such New Common Shares immediately before the disposition.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one half of the amount of any capital gain (a "**taxable capital gain**") realized in such taxation year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in such taxation year. Allowable capital losses in excess of taxable capital gains for the year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, in accordance with and subject to the rules contained in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Share, a New Common Share or a New Preferred Share may be reduced by the amount of any dividends received (or deemed to have been received) by it on such share to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a Share, a New Common Share or a New Preferred Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Resident Holders should consult their own advisors.

A Resident Holder that is throughout the year a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable for an additional tax (which is refundable in certain circumstances) on its aggregate investment income, which includes amounts in respect of taxable capital gains. Proposed Amendments released on August 9, 2022 extend this additional refundable tax to corporations that are or are deemed to be "substantive CCPCs" as defined in the Proposed Amendments. Resident Holders should consult their own advisors with respect to the application of the Proposed Amendments.

A capital gain realized by a Resident Holder who is an individual or trust (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the potential application of alternative minimum tax.

Dissenting Shareholders

A Resident Holder who has validly exercised its Dissent Right (a "**Resident Dissenting Holder**") will be deemed under the Arrangement to have transferred its Shares to the Company and will be entitled either to be paid the fair value of such Shares or to receive a payment in cash equal to the Consideration. The Resident Dissenting Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received for the Shares (less an amount in respect of interest, if any, awarded by the Court) exceeds the PUC of such shares (as determined under the Tax Act).

Where a Resident Dissenting Holder is an individual, any deemed dividend will be included in computing such Resident Dissenting Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable to dividends received from taxable Canadian corporations. In the case of a Resident Dissenting Holder that is a corporation, any deemed dividend will be included in income and generally will be deductible in computing taxable income. However, in some circumstances, the amount of any such deemed dividend realized by a corporation may be treated as proceeds of disposition and not as a dividend under subsection 55(2) of the Tax Act. Resident Dissenting Holders that are corporations should consult their own tax advisors in this regard.

"Private corporations" and "subject corporations" (as defined in the Tax Act) may be liable for additional Part IV tax (which is refundable in certain circumstances) on any dividends received or deemed to be received on the Shares to the extent such dividends are deductible in computing the Resident Dissenting Holder's taxable income for the taxation year.

A Resident Dissenting Holder will also be considered to have disposed of the Shares for proceeds equal to the amount paid to such Resident Dissenting Holder less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend. Resident Dissenting Holders may realize a capital gain (or capital loss) to the extent that such proceeds exceed (or are less than) the total of the adjusted cost base to the Resident Dissenting Holder of the Shares immediately before the disposition and any reasonable costs of disposition. The taxation of

capital gains and capital losses is discussed above under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Any interest awarded by the Court to a Resident Dissenting Holder will be included in such Resident Dissenting Holder's income in accordance with the Tax Act.

A Resident Dissenting Holder that is, throughout its taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (which is refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act), including amounts in respect of taxable capital gains and interest. Proposed Amendments released on August 9, 2022 extend this additional refundable tax to corporations that are or are deemed to be "substantive CCPCs" as defined in the Proposed Amendments. Resident Dissenting Holders should consult their own advisors with respect to the application of the Proposed Amendments.

Resident Holders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, has not been and is not, and is not deemed to be, resident in Canada and does not use or hold and is not deemed to use or hold the Shares in a business carried on in Canada (a "**Non-Resident Holder**"). This portion of the summary is not applicable to Non-Resident Holders that are: (i) insurers carrying on an insurance business in Canada and elsewhere; or (ii) "authorized foreign banks" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors with respect to the Arrangement.

Disposition of Shares, New Preferred Shares and New Common Shares

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of Shares, New Common Shares or New Preferred Shares under the Arrangement unless such shares are "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act at the time such Shares are disposed of pursuant to the Arrangement and the Non-Resident Holder is not exempt from Canadian tax on any gain realized under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, the Shares will not constitute taxable Canadian property to a Non-Resident Holder at the time of disposition, provided that the Shares are listed on a designated stock exchange (which includes the TSXV) at that time unless at any time during the 60-month period that ends at that time the following two conditions are met concurrently: (a) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, partnerships in which the Non-Resident Holder or such non-arm's length persons holds a membership interest (either directly or indirectly through one or more partnerships) or the Non-Resident Holder together with all such persons and partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of the Company, and (b) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such properties whether or not such properties exist. Notwithstanding the foregoing, Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act. Because the New Common Shares and the New Preferred Shares will not be listed on a designated stock exchange, only the condition in paragraph (b) above need be met for such shares to constitute taxable Canadian property. In addition, New Common Shares and New Preferred Shares that are acquired by a Non-Resident Holder in exchange for Shares that constituted taxable Canadian property to that Non-Resident Holder will be deemed to constitute taxable Canadian property to such Non-Resident Holder. While the Company can provide no assurance, it is of the view that the condition referred to in (b) has not been met at any relevant time.

Even if the New Common Shares or New Preferred Shares constitute taxable Canadian property to a Non-Resident Holder, any gain realized on a disposition of any such shares may be exempt from tax under the Tax Act pursuant to the terms of an applicable income tax convention. Non-Resident Holders should consult their own tax advisors with respect to the availability of relief under the terms of any applicable income tax convention.

In the event that the New Common Shares or New Preferred Shares constitute taxable Canadian property to a Non-Resident Holder and any capital gain realized by the Non-Resident Holder on the disposition of such shares under the Arrangement is not exempt from tax under the Tax Act by virtue of an applicable income tax convention, then the tax consequences described above under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Shares"* will generally apply.

Non-Resident Holders whose shares may be taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances.

The PUC for purposes of the Tax Act of each New Preferred Share will be equal to the New Preferred Per Share Amount. Accordingly, upon the purchase for cancellation of the New Preferred Shares by the Company pursuant to the Arrangement, Non-Resident Holders should not be deemed to receive any dividend.

Dissenting Shareholders

A Non-Resident Holder who has validly exercised its Dissent Right (a "**Non-Resident Dissenting Holder**") will be deemed under the Arrangement to have transferred its Shares to the Company and will be entitled either to be paid the fair value of such Shares or to receive a payment in cash equal to the Consideration. The Non-Resident Dissenting Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received for the Shares (less an amount in respect of interest, if any, awarded by the Court) exceeds the PUC of such Shares (as determined under the Tax Act).

The amount of the dividend will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and the Non-Resident Dissenting Holder's country of residence.

A Non-Resident Dissenting Holder will also be considered to have disposed of the Shares for proceeds equal to the amount paid to such Non-Resident Dissenting Holder less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend. A Non-Resident Dissenting Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of the Shares pursuant to the Arrangement unless the Shares constitute, or are deemed to constitute, taxable Canadian property to the Non-Resident Dissenting Holder at the time of the disposition and the Non-Resident Dissenting Holder is not entitled to relief under an applicable income tax treaty or convention. The taxation of capital gains and capital losses for a Non-Resident Dissenting Holder is discussed above under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of Shares*".

Any interest awarded by the Court to a Non-Resident Dissenting Holder will not be subject to Canadian withholding tax unless such interest constitutes "participating debt interest" for purposes of the Tax Act.

Non-Resident Holders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.

RISK FACTORS

Shareholders should carefully consider the following risks related to the Arrangement. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Company, may also adversely affect the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement.

Risks Related to the Arrangement

Completion of the Arrangement is Subject to the Satisfaction or Waiver of Several Conditions and Failure to Complete the Arrangement Could Negatively Impact the Share Price

The completion of the Arrangement is subject to a number of conditions, certain of which are outside the control of the Company, including the approval by the Shareholders and receipt of the Final Order. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or waived or, if satisfied or waived, when they will be satisfied or waived.

If the Arrangement is not completed, the market price of the Shares may decline to the extent that the market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Board decides to seek another merger or business combination, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Consideration to be paid pursuant to the Arrangement.

In addition, since the completion of the Arrangement is subject to uncertainty, officers and employees of the Company may experience uncertainty about their future roles with the Company. This may adversely affect the Company's ability to attract or to retain key management and personnel in the period until the Arrangement is completed or terminated.

The Arrangement Agreement may be Terminated

The Arrangement Agreement may be terminated by the Company or the Buyer in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by the Company or the Buyer before the completion of the Arrangement. Failure to complete the Arrangement could materially negatively impact the market price of the Shares or otherwise adversely affect the business of the Company.

Additionally, upon termination of the Arrangement Agreement prior to consummation of the Arrangement, under certain circumstances, the Company will be required to pay the Buyer a termination fee of $1.3 million. The termination fee may discourage other parties from attempting to acquire the Shares or otherwise making an Acquisition Proposal, even if those parties would otherwise be willing to offer greater value to Shareholders than that offered by the Buyer under the Arrangement.

Occurrence of a Material Adverse Effect

The completion of the Arrangement is subject to the condition that there shall not have occurred a Material Adverse Effect (as such term is defined in the Arrangement Agreement). Although a Material Adverse Effect excludes certain events, there can be no assurance that a Material Adverse Effect will not occur prior to the Effective Time. If a Material Adverse Effect occurs and the Buyer does not waive such effect, the Arrangement would not proceed.

The Company Will Incur Costs

Certain costs relating to the Arrangement, such as legal and accounting fees, and certain of the fees of financial advisors, must be paid by the Company even if the Arrangement is not completed, the result of which could have a material adverse effect on the Company's financial position and results of operations and its ability to fund growth prospects and current operations.

Restrictions on the Company's Ability to Solicit Acquisition Proposals from Other Potential Purchasers

While the terms of the Arrangement Agreement permit the Company to consider unsolicited Acquisition Proposals upon the satisfaction of certain conditions, the Arrangement Agreement restricts the Company from actively soliciting Acquisition Proposals from third parties. See "*The Arrangement Agreement – Covenants – Non-Solicitation Covenants*".

No Continued Benefit of Share Ownership

If the Arrangement is successfully completed, the Company will no longer exist as an independent public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders to participate in potential longer term benefits of the business of the Company that might result from future growth and the potential achievement of the Company's long-term plans to the extent that those benefits, if any, exceed the benefits reflected in the consideration to be received under the Arrangement and with the understanding that there is no assurance that any such long term benefits will in fact materialize.

The Arrangement May Divert the Attention of the Company's Management

The pendency of the Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations of the Company. These disruptions could be exacerbated by any delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company, which could have a material adverse effect on the business, financial condition, results of operations or prospects of the Company.

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the Board (excluding the Conflicted Director) to vote **FOR** the Arrangement Resolution, Shareholders should be aware that some of the directors and officers of the Company have interests in the Arrangement that are different from, or in addition to, the interests of Shareholders generally. For more information, see "*The Arrangement – Interests of Certain Persons in the Arrangement*".

The Arrangement Will be a Taxable Transaction

The Arrangement will be a taxable transaction for Shareholders. Shareholders are advised to carefully read the summary of certain Canadian federal income tax considerations under "*Certain Canadian Federal Income Tax Considerations*" herein, and to consult with their own tax advisors to determine the tax consequences of the Arrangement to them.

Risks Relating to the Company

If the Arrangement is not completed, the Company will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Such risk factors are set forth and described in the Company's annual information form for the year ended December 31, 2022 and the interim management's discussion and analysis for the period ended June 30, 2023 which are available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

PRINCIPAL SHAREHOLDERS

As of close of business on September 18, 2023, to the knowledge of the directors and executive officers of the Company, the only persons or companies who beneficially owned or controlled or directed, directly or indirectly, common shares carrying more than ten percent (10%) of the voting rights attached to all of the issued and outstanding common shares of the Company were as follows:

Name	Number of Shares	% of Outstanding Shares
Somers Limited[(1)]	1,124,400	19.9%
Pathfinder Asset Management Limited[(2)]	886,500	15.7%

(1) The number of shares reported is based on the disclosure made under the Voting Support Agreement dated August 31, 2023 between the Buyer and Somers Limited, a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

(2) The number of shares reported is based on the disclosure made under the Voting Support Agreement dated August 31, 2023 between the Buyer and Pathfinder Asset Management Limited, a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

MATERIAL CHANGES IN THE AFFAIRS OF THE COMPANY AND OTHER BENEFITS

Other than as described elsewhere in this Circular, the directors and officers of the Company are not aware of any plans or proposals for material changes in the affairs of the Company. For more information, see "*The Arrangement – Certain Legal and Regulatory Matters – Stock Exchange Delisting and Ceasing Reporting Issuer Status*".

Other than as disclosed elsewhere in this Circular, the directors and officers of the Company are not aware of any specific benefit, direct or indirect, as a result of the material changes or transactions contemplated in this Circular. For more information, see "*The Arrangement – Interests of Certain Persons in the Arrangement*".

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

To the knowledge of the directors and officers of the Company, other than as disclosed in this Circular (including as disclosed in "*The Arrangement – Interests of Certain Persons in the Arrangement*"), no director or officer of the Company, nor any associate or affiliate of any of the foregoing persons, has, at any time since the beginning of the Company's last financial year, 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.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Circular, no informed person (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or any associate or affiliate of any informed person has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company or any of its Subsidiaries.

INTEREST OF EXPERTS

Certain Canadian legal matters in connection with the Arrangement will be passed upon by Blake, Cassels & Graydon LLP, on behalf of the Company. As at the date of this Circular, partners and associates of Blake, Cassels & Graydon LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Shares of the Company, its associates or its affiliates and no interests in property of any of the Company, its associates or its affiliates.

Each of Cormark Securities and MNP acted as financial advisor to the Company. As at the date of this Circular, the designated professionals of Cormark Securities beneficially own, directly or indirectly, less than 1% of the Shares of the Company, its associates or its affiliates and no interests in property of any of the Company, its associates or its affiliates. As at the date of this Circular, the designated professionals of MNP beneficially own, directly or indirectly, less than 1% of the Shares of the Company, its associates or its affiliates and no interests in property of any of the Company, its associates or its affiliates.

Norton Rose Fulbright Canada LLP acted as legal advisor to the Special Committee. As at the date of this Circular, the designated professionals of partners and associates of Norton Rose Fulbright Canada LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the outstanding Shares of the Company, its associates or its affiliates and no interests in property of any of the Company, its associates or its affiliates.

AUDITORS

KPMG LLP are the auditors of the Company. KPMG LLP has advised the Company that it is independent of the Company in accordance with the Rules of Professional Conduct of the Institute of Chartered Accounts of Ontario. KPMG LLP has been the auditor of the Company since November 27, 2013.

ADDITIONAL INFORMATION

Financial information for the Company is provided in the Company's audited comparative financial statements and management's discussion and analysis for the year ended December 31, 2022, and most recent interim financial statements and management's discussion and analysis for the period ended June 30, 2023. Copies of the Company's annual information form, financial statements and management's discussion and analysis for the year ended December 31, 2022, most recent interim financial statements for the period ended June 30, 2023, and this Circular are available without charge upon written request to the Company's Chief Financial Officer and Corporate Secretary at 200 Bay Street, North Tower, Suite 1200, P.O. Box 96, Toronto, Ontario, M5J 2J2. The Company may require payment of a reasonable charge if the request is made by a person who is not a Shareholder. These documents and additional information relating to the Company may also be found on SEDAR+ at www.sedarplus.ca.

APPROVAL BY DIRECTORS

The content and the sending of the Notice of Meeting and this Circular to each director, to each Shareholder whose proxy has been solicited and to the auditors of the Company, have been approved by the Board of Directors (excluding the Conflicted Director) of the Company.

Dated at Toronto, Ontario, this 20th day of September 2023.

By order of the Board of Directors,

(Signed) *"Tristan Kingcott"*

Tristan Kingcott
Chair of the Special Committee of the Board of Director

CONSENT OF CORMARK SECURITIES INC.

We refer to our fairness opinion dated August 31, 2023 (the "**Cormark Fairness Opinion**") attached as Appendix "D" to the management information circular (the "**Circular**") of Terra Firma Capital Corporation (the "**Company**") dated September 20, 2023 relating to the special meeting of shareholders with respect to a plan of arrangement whereby GM Capital Corp. will become the sole shareholder of the Company. We hereby consent (i) to the inclusion of the full text of the Cormark Fairness Opinion as Appendix "D" of the Circular and (ii) to the references to the Cormark Fairness Opinion in the Circular.

(Signed) *"Cormark Securities Inc."*

Toronto, Ontario
September 20, 2023

CONSENT OF MNP LLP

We refer to our fairness opinion dated August 31, 2023 (the "**MNP Fairness Opinion**") attached as Appendix "E" to the management information circular (the "**Circular**") of Terra Firma Capital Corporation (the "**Company**") dated September 20, 2023 relating to the special meeting of shareholders with respect to a plan of arrangement whereby GM Capital Corp. will become the sole shareholder of the Company. We hereby consent (i) to the inclusion of the full text of the MNP Fairness Opinion as Appendix "E" of the Circular and (ii) to the references to the MNP Fairness Opinion in the Circular.

(Signed) *"MNP LLP"*

Toronto, Ontario
September 20, 2023

APPENDIX "A" GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

"**$7.00 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**$7.20 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*) other than the Buyer (or any affiliate of the Buyer) relating to:

(a) any direct or indirect sale or disposition (or any lease, licence, joint venture, long-term supply agreement or other arrangement having the same economic effect), in a single transaction or a series of related transactions, of:

(i) assets of the Company and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of the Company and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent consolidated financial statements of the Company filed as part of the Company Filings); or

(ii) 20% or more of any class of voting or equity securities (including securities convertible into or exerciseable or exchangeable for voting or equity securities) of the Company or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of the Company and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent consolidated financial statements of the Company filed as part of the Company Filings);

(b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction, in a single transaction or a series of related transactions, that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Company or any of its Subsidiaries;

(c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or winding up, or other similar transaction, in a single or a series of related transactions, involving the Company or any of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of the Company and its Subsidiaries, taken as a whole (in each case, determined based upon the most recent consolidated financial statements of the Company filed as part of the Company Filings); or

(d) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries.

"**Additional Cash Amount**" has the meaning given to it in the Arrangement Agreement.

"**affiliate**" has the meaning given to it in the *Securities Act* (Ontario) and, when used in this Circular with respect to the Buyer, also includes Y. Dov Meyer, Seth Greenspan and Lornglen Developments Limited.

"**Aggregate Consideration**" means an amount equal to the product obtained by multiplying (i) the Consideration by (ii) the number of outstanding Shares at the Effective Time less any Shares held by the Buyer and any Dissenting Shareholders at the Effective Time.

"**allowable capital loss**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*".

"**Amended $7.00 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Amended Party D $7.15 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Arrangement**" means the arrangement of the Company under section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Buyer, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of August 31, 2023 between the Company and the Buyer, including all schedules, as same may be amended, supplemented or restated in accordance with its terms providing for, among other things, the Arrangement.

"**Arrangement Resolution**" means the special resolution of the Shareholders approving the Plan of Arrangement to be considered at the Meeting substantially in the form set out in Appendix "B" of this Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement that are required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Buyer, each acting reasonably.

"**Board**" means the board of directors of the Company.

"**Board Recommendation**" a statement that the Board has received the Fairness Opinions and has, after having received the recommendation of the Special Committee and after receiving advice from its financial advisor and outside legal counsel, unanimously: (A) determined that the Consideration to be received by Shareholders (other than the Buyer and its affiliates) pursuant to the Arrangement is fair to such Shareholders and the Arrangement is in the best interests of the Company and (B) recommends that the Shareholders vote in favour of the Arrangement Resolution.

"**Business Day**" means any day, other than a Saturday, a Sunday or a day on which major banks are closed for business in Toronto, Ontario or Tel Aviv, Israel or Rosh Hashana (two days), Yom Kippur, the first two days of Sukkoth, Shemini Azereth, Simchat Torah, the first, second, seventh and eighth days of Passover and Shavuot (two days).

"**Buyer**" means GM Capital Corp.

"**CDS**" has the meaning specified under "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

"**Chair**" means the chair of the Meeting.

"**Change in Recommendation**" has the meaning specified under "*The Arrangement Agreement – Term and Termination*".

"**Circular**" means this management information circular.

"**Company**", "**we**", "**us**" and "**our**" means Terra Firma Capital Corporation.

"**Company Constating Documents**" means the articles of incorporation and by-laws of the Company, as they may be amended from time to time.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Arrangement Agreement and delivered by the Company to the Buyer with the Arrangement Agreement.

"**Company DSUs**" means the outstanding deferred share units of the Company issued pursuant to the Company's Deferred Share Unit Plan dated May 2014.

"**Company Employees**" means the officers and employees of the Company and its Subsidiaries.

"**Company Options**" means the outstanding options to purchase Shares issued pursuant to the Option Plan dated March 23, 2016.

"**Conflicted Director**" means Y. Dov Meyer.

"**Consideration**" means $7.30 per Share, subject to adjustment in the manner and in the circumstances contemplated in the Arrangement Agreement.

"**Contract**" has the meaning given to it in the Arrangement Agreement.

"**Cormark Fairness Opinion**" means the fairness opinion of Cormark Securities Inc.

"**Cormark Securities**" means Cormark Securities Inc.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**CRA**" means Canada Revenue Agency.

"**Data Room**" means the virtual data room established by the Company as at 5:00 p.m. on August 28, 2023, the index of documents of which is attached to the Company Disclosure Letter.

"**Demand for Payment**" has the meaning specified under "*Dissent Rights of Shareholders*".

"**Depositary**" means Computershare Investor Services Inc.

"**Dissent Notice**" has the meaning specified under "*Dissent Rights of Shareholders*".

"**Dissent Rights"** has the meaning specified under "*Dissent Rights of Shareholders*".

"**Dissenting Shareholder**" has the meaning specified under "*Dissent Rights of Shareholders"*.

"**Dov $6.90 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Dov $7.15 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Dov LOI**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**DRS**" means direct registration statement.

"**DRS Advice**" has the meaning specified under "*Procedures for the Surrender of Certificates and Payment of Consideration – Certificates of Payment*".

"**DSU Plan**" means the Company's Deferred Share Unit Plan dated May 2014.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as may be agreed to in writing by the Company and the Buyer.

"**Fairness Opinions**" means the opinions of each of Cormark Securities and MNP to the effect that, as of the date of such opinion, the Consideration to be received by Shareholders (other than the Buyer and its affiliates) under the Arrangement is fair, from a financial point of view, to such Shareholders.

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Buyer, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Buyer, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Buyer, each acting reasonably) on appeal.

"**forward-looking statements**" has the meaning specified under "*Cautionary Statement Regarding Forward-Looking Information*".

"**Governmental Entity**" means:

(a) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority or department, central bank, court, tribunal, arbitral or adjudicative body, commission, commissioner, cabinet, board, bureau, minister, ministry, governor-in-council, agency or instrumentality, domestic or foreign;

(b) any subdivision, agent or authority of any of the foregoing;

(c) any quasi-governmental, administrative or private body, including any tribunal, commission, committee, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or

(d) any stock exchange (including the TSXV).

"**Guarantors**" means Lornglen Developments Limited and Y. Dov Meyer.

"**Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations*".

"**IFRS**" means generally accepted accounting principles as set out in the *CPA Canada Handbook - Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Buyer, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court with the consent of the Company and the Buyer, each acting reasonably.

"**Interim Period**" has the meaning specified under "*The Arrangement Agreement – Covenants – Non-Solicitation Covenants*".

"**Intermediary**" has the meaning specified under "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, Order, injunction, judgment, award, decree, ruling or similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, unless expressly specified otherwise.

"**Letter of Transmittal**" means the letter of transmittal for use by the Shareholders with respect to the Arrangement.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, assignment, lien (statutory or otherwise), or restriction or adverse right or claim, or other third-party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Matching Period**" has the meaning specified under "*The Arrangement Agreement – Covenants – Non-Solicitation Covenants*".

"**Material Adverse Effect**" has the meaning given to it in the Arrangement Agreement.

"**Meeting**" means the special meeting of the Shareholders to be held on October 19, 2023 at 11:00 a.m. (Toronto time), and any adjournment or postponement thereof.

"**Meeting Materials**" has the meaning specified under "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

"**Minority Shares**" means the issued and outstanding Shares not held by the Buyer.

"**Minority Shareholders**" means the holders of Minority Shares.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**MNP**" means MNP LLP.

"**MNP Fairness Opinion**" means the fairness opinion of MNP LLP.

"**New Common Shares**" has the meaning specified under "*Summary – The Arrangement*".

"**New Preferred Amount**" means an amount in Canadian dollars equal to the lesser of (i) the Additional Cash Amount less the amount payable to the holders of Company Options and Company DSUs pursuant to Sections 3.01(a) and 3.01(b) of the Plan of Arrangement, and (ii) the aggregate PUC of the Shares immediately prior to the Effective Time (other than Shares held by Dissenting Shareholders) less $1.00.

"**New Preferred Per Share Amount**" means the New Preferred Amount divided by the number of New Preferred Shares issued pursuant to Section 3.1(g) of the Plan of Arrangement.

"**New Preferred Shares**" has the meaning specified under "*Summary – The Arrangement*".

"**Non-Resident Dissenting Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Shareholders*".

"**Non-Registered Holder**" has the meaning specified under "*Information Concerning the Meeting – Advice to Non-Registered Holders*".

"**Non-Resident Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*".

"**Non-Solicitation Covenants**" has the meaning specified under "*The Arrangement Agreement – Covenants – Non-Solicitation Covenants*".

"**Notice**" means the notice of the Meeting accompanying the Circular.

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**Offer to Pay**" has the meaning specified under "*Dissent Rights of Shareholders*".

"**Option Plan**" means the Company's stock option plan dated March 23, 2016.

"**Order**" means any order, writ, judgment, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Entity.

"**Ordinary Course**" has the meaning given to it in the Arrangement Agreement.

"**Outside Date**" means December 31, 2023, or such later date as may be agreed to in writing by the Parties.

"**Parties**" means the Company, the Buyer, and each of the Guarantors.

"**Party A**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party A LOI**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party B**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party B's $6.25 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party C**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party C's $7.75 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party D**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party D's $7.15 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Party D's $7.40 Offer**" has the meaning specified under "*The Arrangement – Background to the Arrangement*".

"**Permitted Liens**" has the meaning given to it in the Arrangement Agreement.

"**Person**" includes any individual, partnership, limited partnership, association, body corporate, organization, joint venture, trust, estate, trustee, executor, administrator, legal representative or government (including any Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement substantially in the form set out in Appendix "C" subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement, the Plan of Arrangement and the Interim Order (once issued) or made at the direction of the Court in the Final Order with the prior written consent of the Buyer and the Company, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning specified under "*The Arrangement Agreement – Covenants – Pre-Acquisition Reorganization*".

"**Proceeding**" has the meaning given to it in the Arrangement Agreement.

"**Proposed Amendments**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations*".

"**PUC**" means "paid-up capital" as defined in subsection 89(1) of the Tax Act.

"**Record Date**" means September 18, 2023.

"**Registered Shareholder**" has the meaning specified under "*Information Concerning the Meeting – Submission of Proxies*".

"**Regulatory Approvals**" has the meaning given to it in the Arrangement Agreement.

"**Representative**" has the meaning given to it in the Arrangement Agreement.

"**Resident Dissenting Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Shareholders*".

"**Resident Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".

"**Securities Laws**" means the *Securities Act* (Ontario) together with all other applicable securities Laws, rules, regulations and published policies thereunder or under the securities Laws of any other province or territory of Canada as now in effect and as they may be promulgated or amended from time to time and the rules and policies of the TSXV.

"**Shares**" means the common shares in the capital of the Company.

"**Shareholders**", "**you**" and "**your**" means the registered and/or beneficial owners of the Shares of the Company.

"**Shareholder Approval**" has the meaning specified under "*Summary – Shareholder Approval*".

"**Special Committee**" means the special committee of independent directors of the Company constituted to consider the transactions contemplated under the Arrangement Agreement.

"**Subsidiary**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions* and, for purposes of this Circular, "**control**" shall include the possession, directly or indirectly, of the power to direct or cause the direction of the policies, management and affairs of the Person, whether through the ownership of voting securities, by contract or otherwise, including with respect to any general partner of another Person with the power to direct the policies, management and affairs of such Person.

"**Superior Proposal**" has the meaning given to it in the Arrangement Agreement.

"**Superior Proposal Notice**" has the meaning specified under "*The Arrangement Agreement – Covenants – Non-Solicitation Covenants*".

"**Supporting Shareholders**" means Somers Limited, GG North America Investments Limited Partnership and Pathfinder Asset Management Limited.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Taxes**" has the meaning given to it in the Arrangement Agreement.

"**taxable capital gain**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*".

"**Tax Returns**" has the meaning given to it in the Arrangement Agreement.

"**Term**" has the meaning specified under "*The Arrangement – Interests of Certain Persons in the Arrangement – Termination and Change of Control Benefits*".

"**Termination Fee**" means $1,300,000.

"**Termination Fee Event"** has the meaning specified under "*The Arrangement Agreement – Termination Fees*".

"**Transaction Expenses**" means all expenses incurred by the Company for all out-of-pocket third-party costs, fees and expenses, including, but not limited to, legal, accounting, financial advisory and other professional fees, in connection with the Arrangement and the other transactions contemplated in the Arrangement Agreement and the cost of the "tail" directors and officers liability insurance policies in Section 5.09 of the Arrangement Agreement, but shall exclude any costs fees and expenses arising from a Pre-Acquisition Reorganization.

"**Transfer Agent**" means Computershare Investor Services Inc.

"**TSXV**" means the TSX Venture Exchange.

"**Voting Support Agreement**" means the agreements to vote in favour of the Arrangement Resolution dated the date of the Arrangement Agreement and made between the Buyer and (i) the directors of the Company who are Shareholders and (ii) Somers Limited, GG North America Investments Limited Partnership and Pathfinder Asset Management Limited.

APPENDIX "B" ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**") of Terra Firma Capital Corporation (the "**Company**"), pursuant to the arrangement agreement (the "**Arrangement Agreement**") among the Company, GM Capital Corp. (the "**Buyer**"), Dov Meyer and Lornglen Developments Limited dated August 31, 2023, as it may be modified, supplemented or amended from time to time in accordance with its terms, all as more particularly described and set forth in the management information circular of the Company dated September 20, 2023 (the "**Circular**"), and all transactions contemplated thereby, are hereby authorized, approved and adopted.

2. The plan of arrangement of the Company (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**")), the full text of which is set out in Appendix "C" to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and related transactions, (ii) actions of the directors of the Company in approving the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.

4. The Company be and is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the holders of common shares of the Company (the "**Company Shareholders**") or that the Arrangement has been approved by the Court, the directors of the Company (other than Dov Meyer) are hereby authorized and empowered to, at their discretion, without notice to or approval of the Company Shareholders: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute and deliver for filing with the Director under the OBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX "C" PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT

UNDER SECTION 182 OF THE
***BUSINESS CORPORATIONS ACT* (ONTARIO)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions.

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, and unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings ascribed thereto in the Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Additional Cash Amount**" means an amount equal to the Company's estimate of its (i) cash on hand as of the Effective Time less (ii) the Transaction Expenses that are estimated to remain unpaid as of the Effective Time, as determined in accordance with Section 2.09(c) of the Agreement;

"**Aggregate Consideration**" means an amount equal to the product obtained by multiplying (i) the Consideration by (ii) the number of outstanding Company Shares at the Effective Time less any Company Shares held by the Buyer and any Dissenting Shareholders at the Effective Time;

"**Agreement**" means the arrangement agreement made as of August 31, 2023 between the Company and the Buyer, including all schedules, as same may be amended, supplemented or restated in accordance with its terms providing for, among other things, the Arrangement;

"**Arrangement**" means the arrangement of the Company under section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Agreement and this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Buyer, each acting reasonably;

"**Arrangement Resolution**" means the special resolution of the Company Shareholders approving the Plan of Arrangement to be considered at the Company Meeting substantially in the form set out in Schedule B of the Agreement;

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement that are required by the OBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Buyer, each acting reasonably.

"**Business Day**" means any day, other than a Saturday, a Sunday or a day on which major banks are closed for business in Toronto, Ontario or Tel Aviv, Israel or Rosh Hashana (two days), Yom Kippur, the first two days of Sukkoth, Shemini Azereth, Simchat Torah, the first, second, seventh and eighth days of Passover and Shavuot (two days).

"**Buyer**" means GM Capital Corp.;

"**Company**" means Terra Firma Capital Corporation;

"**Company DSUs**" means the outstanding deferred share units of the Company issued pursuant to the DSU Plan;

"Company Meeting" means the special meeting of Company Shareholders, including any adjournment or postponement thereof in accordance with the terms of the Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

"**Company Options**" means the outstanding options to purchase Company Shares issued pursuant to the Option Plan;

"**Company Share**" means a common share in the capital of the Company;

"**Company Shareholders**" means the registered and/or beneficial owners of the Company Shares, New Company Shares or New Preferred Shares as the context requires;

"**Consideration**" means $7.30 per Company Share, subject to adjustment in the manner and in the circumstances contemplated in Section 2.10 of the Agreement;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Depositary**" means such Person as the Company may appoint to act as depositary in relation to the Arrangement, with the approval of the Buyer, acting reasonably;

"**Dissent Rights**" has the meaning ascribed thereto in Section 4.1;

"**Dissent Shares**" means Company Shares held by a Dissenting Shareholder in respect of which the Dissenting Shareholder has validly exercised Dissent Rights;

"**Dissenting Shareholder**" means a registered holder of Company Shares as of the record date for the Company Meeting (other than the Buyer) who dissents in respect of the Arrangement Resolution in strict compliance with the Dissent Rights;

"**DRS Advice**" has the meaning ascribed thereto in Section 5.1(b);

"**DSU Plan**" means the Company's Deferred Share Unit Plan dated May 2014;

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as may be agreed to in writing by the Company and the Buyer;

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Buyer, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Buyer, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Buyer, each acting reasonably) on appeal;

"**Governmental Entity**" means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority or department, central bank, court, tribunal, arbitral or adjudicative body, commission, commissioner, cabinet, board, bureau, minister, ministry, governor-in-council, agency or instrumentality, domestic or foreign; (ii) any subdivision, agent or authority of any of the foregoing; (iii) any quasi-governmental, administrative or private body, including any tribunal, commission, committee, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange (including the TSX Venture Exchange);

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Buyer, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended, supplemented or varied by the Court with the consent of the Company and the Buyer, each acting reasonably;

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, Order, injunction, judgment, award, decree, ruling or similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that

they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, unless expressly specified otherwise;

"**Letter of Transmittal**" means the letter of transmittal for use by the Company Shareholders with respect to the Arrangement;

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, assignment, lien (statutory or otherwise), or restriction or adverse right or claim, or other third-party interest or encumbrance of any kind, in each case, whether contingent or absolute;

"**New Common Shares**" has the meaning ascribed thereto in Section 3.1(f);

"**New Common Per Share Amount**" means the Consideration less the New Preferred Per Share Amount;

"**New Preferred Amount**" means an amount in Canadian dollars equal to the lesser of (i) the Additional Cash Amount less the amount payable to the holders of Company Options and Company DSUs pursuant to section 3.01(a) and (b) of this Plan of Arrangement, and (ii) the aggregate PUC of the Company Shares immediately prior to the Effective Time (other than Company Shares held by Dissenting Shareholders) less $1.00;

"**New Preferred Per Share Amount**" means the New Preferred Amount divided by the number of New Preferred Shares issued pursuant to Section 3.1(g);

"**New Preferred Shares**" has the meaning ascribed thereto in Section 3.1(f);

"**OBCA**" means the Business Corporations Act (Ontario);

"**Option Plan**" means the Company's Stock Option Plan dated March 23, 2016;

"**Person**" includes any individual, partnership, limited partnership, association, body corporate, organization, joint venture, trust, estate, trustee, executor, administrator, legal representative or government (including any Governmental Entity), syndicate or other entity, whether or not having legal status;

"**Plan of Arrangement**", "**hereof**", "**herein**", "**hereto**" and like references mean and refer to this plan of arrangement, subject to any amendments or variations made in accordance with the Agreement or Section 6.1 or made at the direction of the Court in the Final Order with the prior written consent of the Buyer and the Company, each acting reasonably;

"**PUC**" means "paid-up capital" as defined in subsection 89(1) of the Tax Act;

"**Tax Act**" means the Income Tax Act (Canada);

"**Transaction Expenses**" means all expenses incurred by the Company for all out-of-pocket third-party costs, fees and expenses, including, but not limited to, legal, accounting, financial advisory and other professional fees, in connection with the Arrangement and the other transactions contemplated in the Agreement and the cost of the "tail" directors and officers liability insurance policies in Section 5.09 of the Agreement; and

1.2 Time

Time is of the essence in and of this Plan of Arrangement.

1.3 Business Days

Whenever any action to be taken or payment to be made pursuant to this Agreement would otherwise be required to be made on a day that is not a Business Day, such action shall be taken or such payment shall be made on the first Business Day following such day.

1.4 Headings

The descriptive headings preceding Articles and Sections of this Plan of Arrangement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Plan of Arrangement into Articles, Sections and subsections shall not affect the interpretation of this Agreement.

1.5 Number and Gender

In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders; and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof).

1.6 Calculation of Time

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends.

1.7 Including

Where the word "including" or "includes" is used in this Agreement, it means "including without limitation" or "includes without limitation".

1.8 Statutory References

Any reference to a statute shall mean the statute in force as at the date of this Plan of Arrangement (together with all rules, regulations and published policies, as applicable, made thereunder), as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided.

1.9 Currency

All references to "$" mean Canadian dollars.

1.10 Number and Gender

In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders; and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or Governmental Entity (including any governmental agency, political subdivision or instrumentality thereof).

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Agreement. This Plan of Arrangement shall become effective at, and be binding at and after, the Effective Time on: (i) the Company; (ii) the Buyer; (iii) all registered holders and all beneficial owners of Company Shares (including Dissenting Shareholders); (iv) all holders of Company DSUs; (v) all holders of Company Options; (vi) the registrar and transfer agent of the Company; and (vii) the Depositary, without any further act or formality required on the part of any person.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence without any further act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the DSU Plan, shall, without any further action by or on behalf of a holder of Company DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, in accordance with the DSU Plan, subject to any withholding or deduction under Section 5.3 hereof, and each such Company DSU shall immediately be cancelled and (i) the holders of such Company DSUs shall cease to be the holders thereof, and to have any rights as holders of such Company DSUs other than the right to receive the consideration to which they are entitled under Section 3.1(a) of this Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company DSUs maintained by or on behalf of the Company;

(b) each Company Option outstanding immediately prior to the Effective Time, whether vested or unvested, notwithstanding the terms of the Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Company Share of such Company Option, subject to any withholding or deduction under Section 5.3 hereof, and each such Option shall immediately be cancelled, and, for greater certainty, where such amount is nil or a negative, the Company shall not be obligated to pay the holder of such Company Option any amount in respect of such Company Option, and (i) the holders of such Options shall cease to be the holders thereof, and to have any rights as holders of such Company Options other than the right to receive the consideration (if any) to which they are entitled under Section 3.1(b) of this Plan of Arrangement (net of any applicable withholding or deduction); and (ii) such holders' names shall be removed from the register of the Company Options maintained by or on behalf of the Company;

(c) the DSU Plan, the Option Plan and all agreements relating to the Company Options and the Company DSUs shall be terminated and shall be of no further force and effect;

(d) each outstanding Company Share that has been issued upon exercise of a Company Option within five (5) days prior to, or on, the Effective Date, shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the Consideration, and the name of such holder shall be removed from the register of holders of Company Shares and the Buyer shall be recorded as the registered holder of the Company Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens;

(e) each outstanding Company Share held by a Dissenting Shareholder shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear of all Liens, and each Dissenting Shareholder shall cease to be a holder of such Company Shares and to have any rights as a Company Shareholder other than the right to be paid an amount for their Company Shares by the Company in accordance with Article 4 hereof, and the name of such holder shall be removed from the register of holders of Company Shares and such Company Shares shall be cancelled;

(f) the articles of incorporation of the Company will be amended to (i) create and authorize the issuance of an unlimited number of a new class of shares designated new common shares (the "New Common Shares"), (ii) create and authorize the issuance of an unlimited number of a new class of shares designated redeemable preferred shares (the "New Preferred Shares"), and (iii) set out the rights,

privileges, restrictions and conditions of the Company Shares, the New Common Shares and the New Preferred Shares as set out in Schedule "A" hereto;

(g) each issued and outstanding Company Share (including any Company Shares owned by the Buyer and excluding any Company Shares held by Dissenting Shareholders that are cancelled pursuant to Section 3.1(e)) will be exchanged for (i) one New Common Share, and (ii) one New Preferred Share, and the Company Shares so exchanged will be cancelled, and the name of each holder of a Company Share so exchanged shall be added to the register of holders of New Common Shares and New Preferred Shares and removed from the register of holders of Company Shares;

(h) in connection with the exchange of Company Shares pursuant to Section 3.1(g),

(i) the Company will deduct from the stated capital of the Company Shares an amount equal to the aggregate stated capital, immediately before the exchange, of the Company Shares;

(ii) the Company will add to the stated capital account of the New Preferred Shares an amount in Canadian dollars equal to the New Preferred Amount; and

(iii) the Company will add to the stated capital account of the New Common Shares an amount in Canadian dollars equal to the amount by which the PUC of the Company Shares immediately before the exchange exceeds the New Preferred Amount;

(i) each New Preferred Share outstanding (other than the New Preferred Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Preferred Shares held by the Buyer) shall be transferred and deemed to be transferred by the holder thereof to the Company free and clear of all Liens, in exchange for a payment by the Company to such holder of the New Preferred Per Share Amount, and each such holder shall cease to be a holder of such New Preferred Shares and to have any rights as a holder of New Preferred Shares other than the right to be paid an amount for their New Preferred Shares by the Company in accordance with Article 4 hereof, and the name of such holder shall be removed from the register of holders of New Preferred Shares and such New Preferred Shares shall be cancelled; and

(j) each New Common Share outstanding (other than the New Common Shares held by the Buyer, which shall not be acquired under the Arrangement and shall remain outstanding as New Common Shares held by the Buyer), shall be transferred and deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Buyer, in exchange for a payment in cash equal to the New Common Per Share Amount pursuant to Section 5.1(b), and the name of such holder shall be removed from the register of holders of New Common Shares and the Buyer shall be recorded as the registered holder of the New Common Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens.

3.2 Rounding of Cash Consideration

If the aggregate cash amount a Company Shareholder or holder of Company DSUs or Company Options is entitled to receive pursuant to Section 3.1 would otherwise include a fraction of $0.01, then the aggregate cash amount such Company Shareholder or holder of Company DSUs or Company Options shall be entitled to receive shall be rounded down to the nearest whole $0.01.

ARTICLE 4
DISSENT PROCEDURES

4.1 Rights of Dissent

(a) Pursuant to the Interim Order, Company Shareholders who are registered holders of Company Shares may exercise rights of dissent in connection with the Arrangement ("Dissent Rights") under section 185 of the OBCA, as modified by this Article 4, the Interim Order and the Final Order, with respect to all (but not less than all) of the Company Shares held, provided that the Notice of Dissent

contemplated by section 185(6) of the OBCA must be received by the Company by 4:00 p.m. on the date that is at least two Business Days prior to the date of the Company Meeting or any date to which the Company Meeting may be postponed or adjourned.

(b) Company Shareholders who properly exercise their Dissent Rights shall transfer and be deemed to have transferred their Company Shares to the Company as set out in Section 3.1(e) hereof. If such Company Shareholders are:

(i) ultimately entitled to be paid the fair value of their Dissent Shares by the Company: (A) will be entitled to be paid the fair value (less any applicable withholding) of such Dissent Shares by the Company, which fair value, notwithstanding anything to the contrary contained in the OBCA, shall be the fair value of such Dissent Shares determined as of the close of business on the day immediately before the approval of the Arrangement Resolution; (B) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(e), if applicable); (C) shall be deemed to have transferred and assigned such Dissent Shares, free and clear of any Liens, to the Company in accordance with Section 3.1(e); and (D) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; and

(ii) not ultimately entitled, for any reason, to be paid the fair value for their Company Shares by the Company, such Company Shareholder shall transfer and be deemed to have transferred their Company Shares to the Company for the right to receive a payment in cash equal to the Consideration per such Company Share as set out in Section 3.1(e) (and, in connection therewith, the Buyer and the Company shall, as soon as reasonably practicable following the determination that such Company Shareholder is not ultimately entitled to be paid the fair value for their Company Shares, deliver or cause to be delivered to the Depositary sufficient cash to pay in full such Company Shareholder the aggregate amount of such Consideration, with such cash to be held for any such Company Shareholder in accordance with Section 5.1(b)).

(c) In no circumstances shall the Buyer, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person (i) is the registered holder of those Company Shares in respect of which such rights are sought to be exercised, and (ii) has strictly complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.

(d) In no case shall the Company, the Buyer, the Depositary, the registrar and transfer agent in respect of the Company Shares or any other person be required to recognize a Dissenting Shareholder as a holder of Company Shares after completion of the transactions set out in Section 3.1(e) and the name of each Dissenting Shareholder shall be deleted from the register of holders of Company Shares as at the time of the transactions provided in Section 3.1(e).

(e) For greater certainty, (i) no holder of Company DSUs or Company Options shall be entitled to Dissent Rights in respect of such holder's Company DSUs or Company Options, as applicable, and (ii) in addition to any other restrictions under the Interim Order and the OBCA, no holders of Company Shares who vote or have instructed a proxyholder to vote such Company Shares in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights.

ARTICLE 5
DELIVERY OF CONSIDERATION

5.1 Delivery of Consideration

(a) Following receipt of the Final Order and immediately prior to the filing by the Company of the Articles of Arrangement with the Director in accordance with the Agreement,

(i) the Buyer shall provide, or cause to be provided to, the Depositary an amount of funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Buyer, acting reasonably) equal to (A) the Aggregate Consideration, less (B) the New Preferred Amount less an amount equal to (X) the New Preferred Per Share Amount multiplied by (Y) the sum of the number of Company Shares held by the Buyer at the Effective Time and the number of Company Shares issued upon exercise of a Company Option within five (5) days prior to, or on, the Effective Date; and

(ii) the Company shall provide, or cause to be provided to, the Depositary an amount of funds in Canadian dollars to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Buyer, acting reasonably) equal to (A) the New Preferred Amount less (B) an amount equal to the New Preferred Per Share Amount multiplied by (Y) the sum of the number of Company Shares held by the Buyer at the Effective Time and the number of Company Shares issued upon exercise of a Company Option within five (5) days prior to, or on, the Effective Date.

(b) The consideration contemplated by Section 5.1(a) shall be held by the Depositary as agent and nominee for such Company Shareholders (other than Dissenting Shareholders) in accordance with the provisions of Article 5 hereof. Following receipt by the Depositary of the amount contemplated by Section 5.1(a), upon surrender to the Depositary for cancellation of a certificate or direct registration statement (DRS) advice (a "DRS Advice") which immediately prior to the Effective Time represented one or more outstanding Company Shares that were transferred pursuant to Section 3.1(f), together with a duly completed and executed Letter of Transmittal, and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate or DRS Advice shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time (in each case, less any amounts withheld pursuant to Section 5.3 hereof), a cheque for the aggregate Consideration to which such holder is entitled to under the Arrangement, without interest. For greater certainty, for the purposes of Article 5, if a Company Shareholder submits more than one valid Letter of Transmittal, such holder shall be treated as a separate Company Shareholder in respect of each valid Letter of Transmittal submitted.

(c) On or as soon as practicable after the Effective Date, the Company shall deliver or caused to be delivered to each holder of Company DSUs and Company Options, as reflected on the register maintained by or on behalf of the Company in respect of Company DSUs and Company Options, or to such other Person as such holder may direct, the cash payment, if any, which such holder of Company DSUs and Company Options has the right to receive under this Plan of Arrangement for such Company DSUs and Company Options, less any amount withheld pursuant to Section 5.3 hereof, either (i) pursuant to the normal payroll practices and procedures of the Company; or (ii) by cheque.

(d) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(b) hereof, each certificate or DRS Advice which immediately prior to the Effective Time represented one or more Company Shares shall be deemed at all times to represent only the right to receive in exchange therefor the entitlements which the holder of such certificate is entitled to receive in accordance with Section 5.1(b) hereof.

(e) No holder of Company Shares, Company DSUs and Company Options shall be entitled to receive any consideration with respect to such Company Shares, Company DSUs or Company Options other than any cash payment to which such holder is entitled to receive in accordance with Section 3.1

and this Section 5.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

5.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Company Shares that were exchanged pursuant to Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the consideration that such person is entitled to receive pursuant to Section 3.1(f), deliverable in accordance with such holder's Letter of Transmittal. When authorizing the delivery of such consideration in exchange for any lost, stolen or destroyed certificate, the person to whom the consideration is being delivered shall, as a condition precedent to the delivery of such consideration, give a bond satisfactory to the Company, the Buyer and the Depositary (each acting reasonably) in such sum as the Company, the Buyer or the Depositary may direct or otherwise indemnify the Company, the Buyer and the Depositary in a manner satisfactory to the Company, the Buyer and the Depositary (each acting reasonably) against any claim that may be made against the Company, the Buyer or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

5.3 Withholding Rights

Each of the Buyer, the Company, the Depositary or any other person that makes a payment hereunder shall be entitled to deduct and withhold from the amounts otherwise payable to any person under the Plan of Arrangement or any amount contemplated herein, such amounts as it is directed to deduct and withhold or it may be required to deduct and withhold with respect to such payment under the Tax Act or any provision of any applicable Laws and remit such deduction and withholding amount to the appropriate Governmental Entity. To the extent that amounts are so properly deducted, withheld and remitted, such deducted, withheld and remitted amounts shall be treated for all purposes of this Agreement and the Arrangement as having been paid to such person in respect of which such deduction and withholding and remittance was made.

5.4 Certificates not Surrendered

Any certificate or DRS Advice that immediately prior to the Effective Time represented outstanding Company Shares not duly surrendered with all other documents required by this Plan of Arrangement on the date which is six years less a day from the Effective Date shall cease to represent a claim by or interest of any former holder thereof of any kind or nature against or in the Company or the Buyer. Any (i) amounts deposited with the Depositary for the payment of Consideration to the Company Shareholders or (ii) payments to be made by the Company for the payment of Consideration to the holders of Company Options and Company DSUs pursuant to Section 3.1 which remain unclaimed on the date which is six years less a day from the Effective Date shall be forfeited to the Buyer, together with all entitlements to dividends, distributions and interest thereon held for such former registered holder, and paid over to or as directed by the Buyer, and the former Company Shareholder shall thereafter have no right to receive their respective entitlement to the Consideration pursuant to Section 3.1, as applicable.

5.5 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

5.6 Paramountcy

From and after the Effective Time (i) this Plan of Arrangement shall take precedence and priority over any and all Company Shares issued prior to the Effective Time, (ii) the rights and obligations of the registered holders of Company Shares, New Common Shares and New Preferred Shares, the holders of Company DSUs, the holders of Company Options, the Buyer, the Depositary and any trustee, registrar, transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (iii) except in respect of Dissent Rights, all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Shares, New Common Shares or New Preferred Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) The Buyer and the Company may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be: (i) set out in writing; (ii) approved by each of the Buyer and the Company, each acting reasonably; (iii) filed with the Court and, if made following the Company Meeting, approved by the Court; and (iv) communicated to the Company Shareholders if and as required by the Interim Order or the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by any of the parties at any time prior to the Company Meeting (provided that the other parties shall have consented thereto in writing) with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if: (i) it is consented to in writing by the Buyer and the Company, each acting reasonably; and (ii) if required by the Court, it is approved by the Company Shareholders, voting in the manner directed by the Court.

(d) Notwithstanding anything else in this Article 6, any amendment, modification or supplement to this Plan of Arrangement may be made at any time and from time to time prior to the Effective Time without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Company Shareholder or holder of Company DSUs or Company Options, or (ii) is an amendment contemplated in Section 6.1(e).

(e) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Buyer, provided that it concerns a matter which, in the reasonable opinion of the Buyer, is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Company Shares or holder of Company DSUs or Company Options.

(f) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out herein.

APPENDIX "D" CORMARK FAIRNESS OPINION

See attached.

Fairness Opinion Letter

August 31, 2023

Special Committee of the Board of Directors of Terra Firma Capital Corporation
Royal Bank Plaza, North Tower
200 Bay Street, Suite 1200, PO Box 96
Toronto, ON M5J 2J2

To the Special Committee of the Board of Directors

ENGAGEMENT OF CORMARK SECURITIES

Pursuant to an engagement letter dated April 1, 2023 (the "Engagement Agreement"), Cormark Securities Inc. ("Cormark") was retained to act as financial advisor to the Special Committee. The terms of the Engagement Agreement provide that Cormark is to be paid an advisory fee as well as a fixed fee for the delivery of the Fairness Opinion on the Opinion Date (as defined below). In addition, Cormark is to be reimbursed for all expenses and fees, including, without limitation: (i) all advertising, printing, courier, telecommunications, data searches, travel and other similar expenses; and (ii) the reasonable fees, taxes and documented disbursements of external legal counsel retained by Cormark, together with related HST. The fees paid to Cormark in connection with the Engagement Agreement are not financially material to Cormark.

Cormark understands that Terra Firma Capital Corporation ("Terra Firma" or the "Company") is contemplating entering into a definitive arrangement agreement (the "Arrangement Agreement") with GM Capital Corp. (the "Buyer"), a company controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company and their respective associates, Lornglen Developments Limited and Y. Dov Meyer, as guarantors, whereby the Buyer would acquire 100% of the issued and outstanding shares of Terra Firma (the "Terra Firma Shares") not already owned by the Buyer (the "Transaction"). Pursuant to the terms of the Transaction, shareholders of Terra Firma Shares ("Terra Firma Shareholders") will be entitled to receive a cash payment of C$7.30 for each Terra Firma Share held (the "Consideration"). We further understand that the Transaction is a "business combination" pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101").

On August 31, 2023, at the request of the Special Committee, Cormark orally delivered an opinion to the Special Committee (the "Opinion Date") that based upon and subject to the scope of review, analyses, assumptions, limitations, qualifications and other matters described herein it is the opinion of Cormark that, as of the Opinion Date, the Consideration to be received by Terra Firma Shareholders pursuant to the Transaction is fair, from a financial point of view, to Terra Firma Shareholders other than the Buyer and its affiliates. This Fairness Opinion provides the same opinion, in writing, as that given orally by Cormark on the Opinion Date. Subject to the terms of the Engagement Agreement, Cormark consents to the inclusion of the Fairness Opinion, in its entirety, in the management information circular (the "Circular"), along with a summary thereof, in a form acceptable to Cormark, and to the filing thereof by the Company with the applicable Canadian securities regulatory authorities. Except as contemplated herein, the Fairness Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without the express prior written consent of Cormark. Cormark understands that the Fairness Opinion will be for the use of the

Special Committee and will be one factor, among others, that the Special Committee will consider in determining whether to recommend the Transaction.

CREDENTIALS OF CORMARK SECURITIES

Cormark is a Canadian investment dealer providing investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. Cormark has participated in a significant number of transactions involving public and private companies.

INDEPENDENCE OF CORMARK SECURITIES

Neither Cormark, nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) (the "OSA")) of the Company, the Buyer, the guarantors, or any of their respective associates or affiliates (collectively, the "Interested Parties"). In this opinion, the term "affiliate", when used to describe a relationship with the Buyer ,shall also include Y. Dov Meyer, Seth Greenspan and Lornglen Developments Limited.

In the past 24-month period Cormark has not been engaged by any of the Interested Parties to provide financial advisory services nor has it participated in any financings.

There are no understandings, agreements or commitments between Cormark and the Company, the Buyer, or any other Interested Party, with respect to any future business dealings. Cormark may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Company, the Buyer, or any other Interested Party.

Cormark acts as a securities trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, may have and may in the future have long or short positions in securities of the Company or other Interested Party and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it may have received or may receive compensation.

As an investment dealer, Cormark conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, the Buyer, any other Interested Party, or the Transaction.

SCOPE OF REVIEW AND RELIANCE

In connection with rendering the Fairness Opinion, Cormark has reviewed and relied upon (without verifying or attempting to verify independently the completeness or accuracy thereof) or carried out, among other things, the following:

1. Draft copies of the Letter of Intent (the "LOI") and related documents submitted by Dov Meyer or the Buyers collectively;
2. The executed LOI between Terra Firma, Dov Y. Meyer and Seth Greenspan dated August 14, 2023 as approved and signed on August 15, 2023;
3. Copies of other letters of intent submitted by competing bidders;
4. The draft arrangement agreement dated August 28, 2023, between Terra Firma and the Buyer, Y. Dov Meyer and Lornglen Developments Limited;
5. Public filings filed by Terra Firma with securities commissions or similar regulatory authorities including annual reports, audited annual financial statements, management information circulars, annual information forms, prospectuses and interim financial statements;
6. Press releases issued by Terra Firma through commercial newswires;

7. Certain internal financial, operational, corporate and other information prepared or provided by the management of Terra Firma, including internal operating and financial projections prepared by Terra Firma management;
8. Discussions with senior management of Terra Firma with respect to the information referred to herein and other topics considered by Terra Firma to be relevant;
9. Discussions with counsel to Terra Firma and the Special Committee regarding structural considerations and various other considerations;
10. Documents uploaded to the Company's virtual data room;
11. Public information relating to the business, operations, financial performance, and equity trading history of Terra Firma and other selected public issuers considered by Cormark to be relevant;
12. Public information with respect to other transactions of a comparable nature considered by Cormark to be relevant;
13. Select investment research reports published by equity research analysts and industry sources regarding Terra Firma and other companies to the extent considered by Cormark to be relevant;
14. Such other economic, financial market, industry and corporate information, investigations and analyses as Cormark considered necessary or appropriate in the circumstances; and
15. Draft voting support agreements to be entered into by certain shareholders.

In addition, we have participated in discussions with members of the senior management of Terra Firma regarding its past and current business operations, financial condition and future prospects. We have also participated in discussions with Norton Rose Fulbright Canada LLP, external legal counsel to the Special Committee and Blake, Cassels & Graydon LLP, external legal counsel to the Company, concerning the Transaction, the Arrangement Agreement and related matters.

Cormark received a signed officers' certificate from Glenn Watchorn, President & CEO of Terra Firma, and Shelley Ochoa, CFO & Corporate Secretary of Terra Firma, dated August 31, 2023.

We understand that MNP LLP was engaged by the Special Committee as independent financial advisor and that it has delivered to the Special Committee a separate fairness opinion. We have not relied on such fairness opinion in rendering the fairness opinion.

Cormark has not, to the best of its knowledge, been denied access by the Company to any information requested by Cormark which would reasonably be expected to materially affect the Fairness Opinion. Cormark did not meet with the auditors of the Company and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of the Company and any reports of the auditors thereon.

PRIOR VALUATIONS

Terra Firma has represented to Cormark that there have been no independent appraisals or valuations (as defined in MI 61-101) or material non-independent appraisals or valuations relating to the Company or any affiliate or any of their respective material assets or liabilities made in the preceding 24 months and in the possession or control of the Company other than those which have been provided to Cormark.

ASSUMPTIONS AND LIMITATIONS

In preparing the Fairness Opinion, Cormark has assumed that: (i) the final executed form of the Arrangement Agreement does not differ in any material respect from the August 28, 2023, draft of the Arrangement Agreement that was shared with Cormark; (ii) the parties to the Arrangement Agreement will comply in all material respects with all of the material terms of the Arrangement Agreement; and (iii) the Transaction will be consummated in accordance with the terms and conditions of the Arrangement Agreement without any adverse waiver or amendment of any material term or condition thereof.

Cormark has not been asked to prepare and has not prepared a formal valuation of the Company or any of its respective securities or assets, and the Fairness Opinion should not be construed as such. Cormark has, however, conducted such analyses as it considered necessary in the circumstances. In addition, the Fairness Opinion is not, and should not be construed as, advice as to the price at which the Terra Firma Shares may trade at any future date. Cormark was similarly not engaged to review any legal, tax or accounting aspects of the Transaction. Cormark has relied upon, without independent verification or investigation, the assessment by the Company and its legal, tax, regulatory and accounting advisors with respect to legal, tax, regulatory and accounting matters. In addition, the Fairness Opinion does not address the relative merits of the Transaction as compared to any other transaction involving the Company or the prospects or likelihood of any alternative transaction or any other possible transaction involving the Company, its assets or its securities. The Fairness Opinion is limited to the fairness of the Consideration to be received by Terra Firma Shareholders, other than the Buyer and its affiliates, pursuant to the Transaction, from a financial point of view, and not the strategic or legal merits of the Transaction. The Fairness Opinion does not provide assurance that the best possible price or transaction was obtained. Nothing contained herein is to be construed as a legal interpretation, an opinion on any contract or document, or a recommendation to invest or divest.

The Fairness Opinion has been provided for the exclusive use of the Special Committee and should not be construed as a recommendation to any Terra Firma Shareholder to vote in favour of the Transaction. The Fairness Opinion may not be used by any other person or relied upon by any other person without the express prior written consent of Cormark. Cormark will not be held liable for any losses sustained by any person should the Fairness Opinion be circulated, distributed, published, reproduced or used contrary to the provisions of this paragraph.

The Fairness Opinion is rendered as of the Opinion Date on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of the Company and its affiliates, as they were reflected in the Information (as defined below) and as they have been represented to Cormark in discussions with management of the Company. It must be recognized that fair market value, and hence fairness from a financial point of view, changes from time to time, not only as a result of internal factors, but also because of external factors such as changes in the economy, competition and changes in consumer/investor preferences. Cormark disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to Cormark's attention after the Opinion Date. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the Opinion Date, Cormark reserves the right to change, modify or withdraw the Fairness Opinion.

With the approval of the Company and as is provided for in the Engagement Agreement, Cormark has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to it or adopted by or on behalf of the Company and its directors, officers, agents and advisors or otherwise (collectively, the "Information") and Cormark has assumed that this Information did not omit to state any material fact or any fact necessary to be stated to make that Information not misleading. The Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of such Information including as to the absence of any undisclosed material fact or change. Subject to the exercise of professional judgment and except as expressly described herein, Cormark has not attempted to independently verify or investigate the completeness, accuracy or fair presentation of any of the Information.

With respect to financial and operating forecasts, projections, financial models, estimates and/or budgets provided to Cormark and used in the analyses supporting the Fairness Opinion, Cormark has noted that

projecting future results of any company is inherently subject to uncertainty. Cormark has assumed that such forecasts, projections, financial models, estimates and/or budgets were reasonably prepared consistent with industry practice on a basis reflecting the best currently available assumptions, estimates and judgments of management of the Company as to the future financial performance of the Company and are (or were at the time and continue to be) reasonable in the circumstances. In rendering the Fairness Opinion, Cormark expresses no view as to the reasonableness of such forecasts, projections, financial models, estimates and/or budgets or the assumptions on which they are based.

Senior officers of the Company have made certain representations to Cormark in a certificate with the intention that Cormark may rely thereon in connection with the preparation of the Fairness Opinion, including that: (a) subject to paragraph (b) below, the Information provided by, or on behalf, of the Company or any of its subsidiaries or its representatives and agents to Cormark for the purpose of preparing the Fairness Opinion was, at the date such information was provided to Cormark, and is now, complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company and its subsidiaries or the Transaction and did not and does not omit to state a material fact in respect of the Company, its subsidiaries or the Transaction necessary to make the Information not misleading in light of the circumstances under which it was made or provided (except to the extent that any such Information has been superseded by Information subsequently delivered to Cormark); (b) with respect to any portions of the Information that constitute budgets, strategic plans, financial forecasts, projections, models or estimates, such portions of the Information (i) were prepared using the probable courses of actions to be taken or events reasonably expected to occur during the period covered thereby; (ii) were prepared using the assumptions identified therein, which in the reasonable belief of the management of the Company are (or were at the time of preparation and continue to be) reasonable in the circumstances; (iii) were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to matters covered thereby at the time thereof; (iv) reasonably present the views of such management of the financial prospects and forecasted performance of the Company, its subsidiaries and the Transaction and are consistent with historical operating experience of the Company and its subsidiaries; and (v) are not, in the reasonable belief of the management of the Company, misleading in any material respect in light of the assumptions used or in light of any developments since the time of their preparation and with reference to the circumstances in which such budgets, strategic plans, financial forecasts, projections, models and/or estimates were provided to Cormark; (c) since the dates on which the Information was provided to Cormark, other than as disclosed in writing to Cormark or in a public filing with securities regulatory authorities, there has been no material change (as such term is defined in the OSA), financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and there is no new material fact which is of a nature as to render any portion of the Information or any part thereof untrue or misleading in any material respect or which would have or which would reasonably be expected to have a material effect on the Fairness Opinion; (d) the Transaction is not and will not be subject to the formal valuation requirements of MI 61-101; (e) since the dates on which the Information was provided to Cormark by the Company, except for the Transaction, no material transaction has been entered into by the Company or any of its subsidiaries and neither the Company nor any of its subsidiaries has any material plans to enter into a material transaction, other than the Transaction, except for transactions that have been disclosed to Cormark or generally disclosed, and management of the Company or its subsidiaries is not aware of any circumstances or developments not disclosed in the Disclosure Documents (as defined below), including, without limitation, legal proceedings or government orders, decrees laws or regulations, that could reasonably be expected to have a material effect on the assets, liabilities, financial condition, prospects or affairs of the Company and its subsidiaries; (f) except as disclosed to Cormark, neither the Company nor any of its subsidiaries has any material contingent liabilities and there are no actions, suits, proceedings or inquiries pending or, to such officers' knowledge, threatened

against or affecting the Company or its affiliates, at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially affect the Company and its affiliates or the value of any of its securities; (g) all financial material, documentation and other data concerning the Transaction, the Company and its subsidiaries, including any projections or forecasts provided to Cormark, were prepared on a basis consistent in all material respects with the accounting policies applied in the most recent audited consolidated financial statements of the Company; (h) there are no agreements, undertakings, commitments or understandings (whether written or oral, formal or informal) relating to the Transaction, except as have been disclosed to Cormark; (i) the contents of any and all documents prepared by the Company in connection with the Transaction for filing with regulatory authorities or delivery or communication to securityholders of the Company (collectively, the "Disclosure Documents") have been, are and will be true, complete and correct in all material respects and have not and will not contain any misrepresentation (as defined in the OSA) and the Disclosure Documents have complied, comply and will comply with all requirements under applicable laws in all material respects; and (j) the Company has complied in all material respects with terms and conditions of the Engagement Agreement.

In its analyses and in preparing the Fairness Opinion, Cormark has made numerous assumptions with respect to expected industry performance, general business and economic conditions and other matters, many of which are beyond the control of Cormark or any party involved in the Transaction. Cormark has also assumed that the disclosure provided or incorporated by reference in the Circular to be filed on SEDAR+ and mailed to Terra Firma Shareholders in connection with the Transaction and any other documents in connection with the Transaction, prepared by a party to the Arrangement Agreement, will be accurate in all material respects and will comply with the requirements of all applicable laws, that all of the conditions required to implement the Transaction will be met, that the procedures being followed to implement the Transaction are valid and effective, and that the Circular will be distributed to Terra Firma Shareholders in accordance with applicable laws.

Cormark believes that the Fairness Opinion must be considered and reviewed as a whole and that selecting portions of the analyses or factors considered by Cormark, without considering all the analyses and factors together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

APPROACH TO FINANCIAL FAIRNESS

In connection with the Fairness Opinion, Cormark Securities has performed a variety of financial and comparative analyses including the following: (i) comparable companies analysis based on publicly available information for certain selected companies in order to consider a range of comparable company trading multiples; (ii) precedent transactions analysis based on publicly available information with respect to certain selected transactions in order to consider a range of precedent transaction multiples; (iii) discounted cash flow analysis based on projected cash flows, a range of discount rates derived from the Capital Asset Pricing Model and associated sensitivity analysis; (iv) other factors and analyses which Cormark Securities has judged, based on its experience rendering such opinions, to be relevant. In arriving at the Fairness Opinion, Cormark has not attributed any particular weight to any specific analysis or factor, but rather has made qualitative judgements based on its experience in rendering such opinions and on circumstances and information as a whole.

FAIRNESS OPINION

Based upon and subject to the foregoing and such other matters as Cormark considered relevant, it is the opinion of Cormark that, as of the Opinion Date, the Consideration to be received by the Terra Firma

Shareholders pursuant to the Transaction is fair, from a financial point of view, to Terra Firma Shareholders other than the Buyer and its affiliates.

Yours very truly,

CORMARK SECURITIES INC.

APPENDIX "E" MNP FAIRNESS OPINION

See attached.

PRIVATE AND CONFIDENTIAL

August 31, 2023

Special Committee of the Board of Directors
Terra Firma Capital Corporation
22 St Clair Avenue E, Suite 200,
Toronto, ON
M4T 2S3

Attention: Special Committee of the Board of Directors

Re: Fairness Opinion – Planned Acquisition of Terra Firma Capital Corporation

MNP LLP ("MNP") understands that Terra Firma Capital Corporation ("TFCC" or the "Company") entered into a definitive arrangement agreement dated August 31, 2023 (the "Arrangement Agreement") with GM Capital Corp. (the "Buyer"), a company controlled by Y. Dov Meyer, the executive chairman of the Company and Seth Greenspan, managing director of the Company and their respective associates, Lornglen Developments Limited and Y. Dov Meyer, as guarantors (the "Guarantors"), whereby the Buyer would acquire 100% of the issued and outstanding shares of TFCC not already owned by the Buyer (the "Proposed Transaction"). The Proposed Transaction will involve the acquisition of the shares of TFCC through a cash consideration of $7.30 per share (the "Consideration").

The Special Committee of the Board of Directors of TFCC has retained MNP to act as its financial advisor in which capacity MNP has been asked to prepare and provide a fairness opinion (the "Fairness Opinion") in conformity with the Practice Standards of the Canadian Institute of Chartered Business Valuators (the "CICBV"). The purpose of this Fairness Opinion is to provide our opinion as to the fairness of the Proposed Transaction, from a financial point of view, to shareholders of TFCC other than the Buyer. The effective date of this Fairness Opinion is August 31, 2023 (the "Opinion Date").

MNP's compensation for this Fairness Opinion was not contingent upon any action or event resulting from the use of this Fairness Opinion. TFCC has agreed to reimburse us for our reasonable out-of-pocket expenses and to indemnify us against certain liabilities that might arise out of our engagement.

Currency of the Fairness Opinion

Unless otherwise noted herein, the currency of this Fairness Opinion is denominated in Canadian dollars.

Qualifications of MNP

MNP is the 5th largest chartered accountancy and business advisory firm in Canada. Established in 1958, MNP has grown from a single office in Manitoba to over 115 locations and 8,000 team members across Canada including over 1,100 partners. MNP is a member of the Praxity affiliation of accounting and advisory firms, and benefits from the shared knowledge and resources of affiliates.

MNP's Valuation Practice has broad experience in completing assignments involving the valuation of companies and assets for various purposes including public company transactions involving publicly traded companies, financial reporting, income tax compliance and planning, dispute resolution, economic loss quantification, among others. MNP's Valuation Practice has prepared fairness opinions across a wide variety of industries. Our team of valuators, who have professional designations and education including Chartered Business Valuator, Chartered Financial Analyst, Chartered Professional Accountant, and Master of Finance have experience with the preparation of fairness opinions.

Relationship with Interested Parties

Neither MNP, nor the principals or any of its employees, affiliates or associates is an insider, associate or affiliate (as these terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Buyer, Guarantors, TFCC, or any of their respective associates, affiliates or any other interested party (as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") in connection with any matter.

Neither MNP, nor the principals or any of its employees, affiliates or associates have a financial interest in the completion of the Proposed Transaction. The compensation received for undertaking this assignment is based on a flat fee arrangement, and is in no way dependent in whole or in part on the agreement, arrangement, or an understanding that gives a financial incentive in respect of the conclusion reached or the outcome or completion of the Proposed Transaction.

This Fairness Opinion was prepared in conformity with the Practice Standards of the CICBV, and in doing so the author acted independently and objectively.

Except as otherwise noted herein, neither MNP, nor its principals or any of its employees, affiliates or associates is acting as an advisor to the Company in connection with any matter, including other advisory service, other than providing this Fairness Opinion as described herein, and the preparation of a valuation report in connection with TFCC's convertible debenture investment in Fundscraper Capital Group Inc., for financial reporting purposes, as at December 31, 2022.

There are currently no understandings, agreements or commitments between MNP, TFCC, the Buyer or any of their respective associates, affiliates or any other interested party with respect to any other future business dealings.

Scope of Review and Scope of Restrictions

The Scope of Review describes the information that we have reviewed and relied upon in arriving at this Fairness Opinion. This information is listed in Exhibit A.

Our conclusions contained herein should not be construed as a recommendation to vote in favour of or against the Proposed Transaction. No opinion, advice, or interpretation is intended in matters that require legal or other appropriate professional advice, and we have not provided such advice to the Special Committee of the Board of Directors of TFCC. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources.

MNP has relied upon the completeness, accuracy and fair representation of all of the financial and other factual information, data, advice, opinions or representations obtained by it from public sources and management of TFCC ("Management"). Our conclusion is conditional upon the completeness, accuracy and fair representation of such information. Subject to the exercise of professional judgment, MNP has not attempted to verify independently the accuracy, completeness or fair representation of information obtained.

This Fairness Opinion is given as of the Opinion Date, on the basis of prevailing securities markets, economic, financial, and general business conditions, and the condition, prospects, financial and otherwise, for TFCC as they were reflected in the information and explanations obtained from Management and reviewed by us. MNP disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this Fairness Opinion which would have been known or expected to be known as at the date of this Fairness Opinion, but which may come to our attention after the aforementioned date.

In our analysis in connection with the preparation of this Fairness Opinion, MNP made many assumptions with respect to industry performance, general business and economic conditions, and other matters, which are beyond the control of MNP or TFCC.

We have not been engaged or authorized to solicit bids for TFCC or its shares, nor have we been engaged to propose alternatives to the Proposed Transaction.

This Fairness Opinion must be considered in its entirety by the reader, as selecting and relying on only specific portions of the analyses or factors considered by us, without considering all factors and analyses together, could result in the misinterpretation of the comments and the conclusions therefrom. It is not appropriate to extract partial analyses or make summary descriptions. Any attempt to do so could lead to undue emphasis on a particular factor or analysis.

We reserve the right, but will be under no obligation, to review all calculations and analysis supporting this Fairness Opinion and, if we consider it necessary, to revise our conclusion in light of any information existing at the Opinion Date which becomes known to us after the date of this Fairness Opinion.

This Fairness Opinion is being provided to the Special Committee of the Board of Directors of TFCC for their exclusive use only in considering the Proposed Transaction and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of MNP, provided that the Fairness Opinion may be reproduced in full and/or summarized in any press release, material change report or other disclosure document required to be filed by TFCC in connection with the Proposed Transaction.

Assumptions

Prior to reaching the conclusions noted herein, we have assumed the following:

1. Relevant financial information as provided by Management has been prepared with a reasonable degree of care and attention to reflect the judgment of Management;
2. The accuracy of Management's written representations to us as to the completeness of the disclosure of material information and facts available up to the date of this Fairness Opinion;
3. All quantitative and qualitative information provided to us is complete and accurate in all material respects;
4. The financial information provided to us and upon which we have relied in arriving at the conclusion expressed herein, presents fairly, in all material respects, the financial positions of TFCC;
5. There were no significant events subsequent to the Opinion Date but prior to the date of this Fairness Opinion that would materially impact the Proposed Transaction; and
6. The Proposed Transaction, as described below, will be completed substantially in accordance with the financial terms as presented to us.

This Fairness Opinion is not expressing an opinion as to the fair market value of the shares of TFCC, and this Fairness Opinion should not be construed as such. We have not been asked to prepare, and have not prepared, an independent formal valuation or appraisal of the securities or assets of TFCC.

The preparation of a fairness opinion is a complex process and our opinion was arrived at giving consideration to our analyses viewed as a whole and is not susceptible to partial analysis.

Overview of Terra Firma Capital Corporation

Located in Toronto, Ontario, TFCC's primary business operation is to provide real estate financing, with the lending secured by properties and real estate developments in Canada and the United States. TFCC was incorporated in July 2007 with a fiscal year end of December 31. As at the Opinion Date, KPMG LLP is the auditor of TFCC.

The shares of TFCC are publicly traded on the TSX Venture Exchange (the "TSXV") under the symbol 'TII'. For the 6 and 12 months ended June 30, 2023 and December 31, 2022, TFCC reported revenue of approximately US$6.8 million and US$15.1 million, respectively. As at the Opinion Date, the share price of TFCC closed on the TSXV at $6.90 per share with a market capitalization of approximately $38.5 million.

The TFCC portfolio investments primarily consist of secured debt and preferred equity investment, as well as investments in TFCC US Senior Debt Fund I LP ("Fund I"), and TFCC US Senior Real Estate Fund II LP ("Fund II"). The Company generates revenue through earning interest and distribution through its debt and equity investments, respectively. In addition, the Company generates fees and earns a spread for managing Fund I and Fund II.

Overview of the Proposed Transaction

The Proposed Transaction contemplates the acquisition of 100% of the shares of TFCC for cash consideration of $7.30 per share. Based on the number of fully diluted shares outstanding, consideration of $7.30 per share translates to equity value of $46.2 million, as follows:

Number outstanding	
Shares	5,584,134
Options	464,000
Deferred share unit	286,960
Fully diluted shares outstanding	6,335,094
Consideration per share ($'s)	7.30
Total equity value ($'s)	46,246,186

We note that the aforementioned are total shares outstanding, which includes shares held by the Buyer. We illustrated the total consideration inclusive of the shares held by the Buyer as that would represent the total equity value of the Company.

It is our understanding that any unvested options will vest upon a change of control. It is also our understanding that only exercisable 'in-the-money' options will be paid in cash. We understand that all deferred share units have vested as at the Opinion Date.

Methodology Applied in Performing Fairness Analysis

In order to determine if the Consideration to be received by shareholders of TFCC (other than the Buyer and its affiliates) is fair, from a financial perspective, to the shareholders of TFCC, we reviewed the structure of the Proposed Transaction, specifically the consideration to be paid and the fair market value of TFCC received in return.

In order for the Consideration to be received by shareholders of TFCC (other than the Buyer and its affiliates) to be fair, from a financial perspective, to the shareholders of TFCC other than the Buyer, the fair market value ("FMV") of the consideration paid must be no less than the FMV of TFCC.

In order to conclude on the above condition, we performed the procedures discussed herein. The summary set forth below is not a comprehensive description of all analyses undertaken by MNP in connection with the Fairness Opinion, nor does the order of the analyses in the summary below indicate that any analysis was given greater weight than any other analysis. In addition, analyses relating to the FMV of shares of TFCC do not represent our formal valuation of fair market value, as defined by the CICBV and MI 61-101.

Proposed Consideration Paid

The proposed consideration of $7.30 per share is to be payable in cash. As the proposed consideration is payable in cash, there are no adjustment and/or calculation require to arrive at FMV of the consideration of $7.30 per share.

In order to provide our opinion of fairness, from a financial perspective, to shareholders of TFCC other than the Buyer, we considered the procedures below.

Anaylsis of TFCC

The Proposed Transaction contemplates the acquisition of TFCC for consideration of $7.30 per share, equivalent to total equity value of $46.2 million. In order to determine the fairness of the Proposed Transaction, from a financial perspective, to shareholders of TFCC other than the Buyer, we performed the procedures discussed below.

Valuation model

In determining fairness of the Proposed Transaction, from a financial perspective, to the shareholders of TFCC other than the Buyer, we developed a valuation model to consider the potential fair market value range of TFCC. In building our valuation model, we selected an approach based on the operations of TFCC, information available and the expected profile of future cash flow. The discounted cash flow ("DCF") method is generally utilized in situations where the future cash flows of the business entity can be reasonably forecasted. As TFCC holds various investments that have generated a financial return based on contractual obligations, future cash flow can be reasonably forecasted, we utilized a discounted cashflow based approach in our valuation model.

Under the DCF method, FMV is determined as the net present value of expected future cash flows. Material assumptions utilized in developing expected future cash flows includes, but is not limited to:

- Timing of interest and distribution
- Timing of principal repayment
- Fees and spreads earned
- Expenses to operate the business

Future after tax cash flows, are projected over a discrete projection period of time and discounted by a suitable rate of return (the discount rate), which considers a number of risk factors - company-specific, industry specific and forecast risk as well as the time value of money.

The discount rate represents a risk-adjusted rate of return on the forecasted cash flows of TFCC as at the Opinion Date, based on the weighted average cost of capital ("WACC"). WACC is the weighted average of the cost of debt and the cost of equity. The weighting is based on a selected ratio determined by the optimal capital structure of the Company.

We also performed various sensitivity analysis based on the material assumptions utilized in our DCF analysis.

Discount for Lack of Marketability Analysis

Based on our analysis, shares of TFCC are thinly traded, with a 3-month daily average trading volume of approximately 2,400 shares prior to the Opinion Date. Based on the average trading volume, it would require approximately 2,600 trading days, or equivalent to approximately 10.5 years of trading volume., to sell the shares on the exchange. As the shares as a block is not easily and quickly converted into cash, they suffer from a discount due to marketability ("DLOM").

A marketability discount reflects the decrease in value due to the illiquid nature of an investment.

Several methods are used to estimate DLOM. The most common and widely used method is the put option pricing models ("OPM"). A put option provides the holder the ability to sell a stock/share at a fixed price for a certain duration. The main idea behind the OPM is that the value of a put option to sell a stock/share at its current price for restricted term as a percentage of the share price should mirror the corresponding lack of marketability.

Different OPM consider different types of put options, each model has its own strengths and weaknesses. There are several well-known OPM and we utilized: the Chaffe Model, the Finnerty Model, the Ghaidarov Average-Strike Put Model and the Geometric Average Rate Asian Put Model. We considered the discount arriving from the OPM to be the ceiling of the DLOM, as the OPM assumes that the holder can sell the block of shares at once on expiry date, whereas our determination assumes the holder can 'dribble-out' the shares based on the average daily trading volume. Our analysis determined an DLOM range of 10.0% to 15.0%.

Other procedures

In addition to the procedures noted above, we also reviewed, analyzed and considered the following:

- We reviewed industry benchmark valuation multiples as provided by sources such as Business Valuation Resources database BRG Online;
- Reviewed various analysis of TFCC as prepared by management of TFCC; and
- We held discussions with management of TFCC to gain a further understanding of the business, financial position, operations, future prospects and the industry in which they operate.

Fairness Opinion

Based upon our scope of review, analysis, qualifications, assumptions, and subject to the foregoing, MNP is of the opinion that, as at the Opinion Date, the Consideration to be received by the shareholders of TFCC (other than the Buyer and its affiliates) is fair, from a financial point of view, to the shareholders of TFCC (other than the Buyer and its affiliates).

Yours sincerely,

MNP LLP

MNP LLP

Per:

Victor Wong, CPA, CMA, CBV

Partner, Valuation and Litigation Support

Exhibit A: Scope of Review

Prior to reaching our determination on the conclusion noted herein, we examined and relied, without audit or verification by us, primarily upon the following information:

1. Audited annual financial statements of TFCC for the fiscal years ended December 31, 2020 through 2022, as audited by KPMG LLP;
2. Interim financial statements of TFCC for the six months ended June 30, 2023, as prepared by management of TFCC;
3. Various documents provided by legal counsel of TFCC:
    a. Draft Arrangement Agreement;
    b. Plan of Arrangement; and
    c. Management information circular.
4. Excel document titled 'TFCC Wind-Down Analysis', as provided by management of TFCC;
5. Various information related to the TFCC's investments:
    a. Fund I;
    b. Fund II;
    c. Savannah River Landing;
    d. Delray Beach Senior Housing;
    e. Royal Palm Beach Assisted Living Facility;
    f. Fundscraper Capital Group Inc.; and
    g. Montreal Road Joint Venture.
6. Comparable company screening reports, and other market information, from S&P Capital IQ, www.capitaliq.com;
7. Information obtained from TFCC's corporate website, www.tfcc.ca;
8. Various information obtained from Duff & Phelps Cost of Capital Navigator;
9. Information obtained from Bank of Canada website, https://www.bankofcanada.ca;
10. Discussions and information obtained from key personnel of TFCC:
    - Mr. Jeremy Scheetz, Managing Director; and
    - Ms. Shelley Ochoa, CFO & Corporate Secretary.

11. Other publicly available information through internet searches, including but not limited to certain publicly available documents regarding TFCC, including annual and quarterly reports, financial statements and other filings deemed relevant, and other selected public companies we considered relevant;
12. As we considered necessary or appropriate in the circumstances, other information, analyses, investigations and discussions; and
13. A letter of representation obtained from the Special Committee dated as of the Opinion Date wherein they confirmed certain representations and warranties that they have made to us, including a general representation that they have no information or knowledge of any facts or material information not specifically noted in this Fairness Opinion which, in their view, would reasonably be expected to affect the fairness conclusions expressed herein.

We have not audited or otherwise verified the accuracy or completeness of the information relied upon in preparing our Fairness Opinion, except as specifically disclosed herein. MNP has not, to the best of its knowledge, been denied access by TFCC to any information under their control requested by MNP.

Should any of the above noted information not be factual or correct our valuation conclusion, as expressed herein, may be materially different.

PRAXITY™
Empowering Business Globally

KINCENTRIC
Best Employer
CANADA 2019

Wherever business takes you

MNP.ca

APPENDIX “F” INTERIM ORDER

See attached.

Court File No. CV-23-00705981-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	TUESDAY, THE 19TH
	)	
JUSTICE CAVANAGH	)	DAY OF SEPTEMBER, 2023

IN THE MATTER OF AN APPLICATION UNDER SECTION182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO), R.S.O. 1990, CHAP. B.16, AS AMENDED

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT INVOLVING TERRA FIRMA CAPITAL CORPORATION AND GM CAPITAL CORP.

INTERIM ORDER

THIS MOTION, made by the Applicant, Terra Firma Capital Corporation ("**Terra Firma**") for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B-16, as amended (the "**OBCA**"), was heard this day by video conference.

ON READING the Notice of Motion, the Notice of Application issued on September 13, 2023, the affidavit of Tristan Kingcott sworn September 15, 2023 (the "**Affidavit**"), including the Plan of Arrangement, which is attached as Appendix C to Terra Firma's draft management information circular (the "**Circular**"), which is attached as Exhibit "A" to the Affidavit, on hearing the submissions of the lawyers for Terra Firma and GM Capital Corp. (the "**Buyer**") and on being

advised that the Director under the OBCA (the "**Director**") does not consider it necessary to appear,

Definitions

1. THIS COURT ORDERS that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. THIS COURT ORDERS that Terra Firma is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares in the capital of Terra Firma (the "**Shares**") to be held in person at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, 40th Floor, Toronto, Canada, M5L 1A9 and in virtual format via live audio-cast accessible at 1-877-366-9096, meeting ID 3785, on October 19, 2023, at 11:00 a.m. (Toronto time) in order for the Shareholders, among other things, to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the "**Arrangement Resolution**"), a copy of which is found at Appendix "B" of the Circular, which is attached as Exhibit "A" to the Affidavit.

3. THIS COURT ORDERS that the Meeting shall be called, held and conducted in accordance with the OBCA, the notice of meeting of Shareholders, which accompanies the Circular (the "**Notice of Meeting**"), and the articles and by-laws of Terra Firma, subject to what is provided hereafter and subject to further order of this Court.

4. THIS COURT ORDERS that the record date (the "**Record Date**") for determination of the Shareholders entitled to notice of, and to vote at, the Meeting in respect of the Arrangement Resolution shall be the close of business (Toronto time) on September 18, 2023.

5. THIS COURT ORDERS that the only persons entitled to speak at the Meeting shall be:

(a) the Shareholders or their respective proxyholders;

(b) the officers, directors and advisors of Terra Firma;

(c) authorized representatives and advisors of the Buyer; and

(d) other persons who may receive the permission of the Chair of the Meeting.

6. THIS COURT ORDERS that Terra Firma may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting.

Quorum

7. THIS COURT ORDERS that the Chair of the Meeting shall be a member of the Special Committee of the Board of Directors of Terra Firma and that the quorum for the transaction of business at the Meeting shall be two persons present in person, each being either a Shareholder entitled to vote thereat or a duly appointed proxy for a Shareholder so entitled.

Amendments to the Arrangement and Plan of Arrangement

8. THIS COURT ORDERS that Terra Firma is authorized to make, subject to the terms of the Arrangement Agreement between Terra Firma and the Buyer, Dov Meyer and Lornglen Developments Limited dated August 31, 2023 (the "**Arrangement Agreement**"), and paragraph 9 below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, provided same: (i) are to correct clerical errors, (ii) would not, if disclosed, reasonably be expected to affect a Shareholder's decision to vote, or (iii) are authorized by subsequent Court order, and the Arrangement and Plan

of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. THIS COURT ORDERS that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement are made after initial notice is provided as contemplated in paragraph 8 above, which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by e-mail, press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Terra Firma may determine.

Amendments to the Circular

10. THIS COURT ORDERS that Terra Firma is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13.

Adjournments, Postponements and Change of Venue

11. THIS COURT ORDERS that Terra Firma, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn, postpone or change the venue of the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment, postponement, or change

of venue, and notice of any such adjournment, postponement or change of venue shall be given by such method as Terra Firma may determine is appropriate in the circumstances (including solely by issuance of a press release if it so determines). This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments, postponements or changes of venue.

Notice of Meeting

12. THIS COURT ORDERS that, in order to effect notice of the Meeting, Terra Firma shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as Terra Firma may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), to the following:

(a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending but including the date of the Meeting, by one or more of the following methods:

(i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of Terra Firma, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to Terra Firma;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or by e-mail or other electronic transmission to any Shareholder, who is identified to the satisfaction of Terra Firma, who

requests such transmission in writing, and if required by Terra Firma, who is prepared to pay the charges for such transmission;

(b) the non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and

(c) the respective directors and auditors of Terra Firma and to the Director appointed under the OBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first-class mail or by facsimile or by e-mail or other electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending but including the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. THIS COURT ORDERS that, in the event that Terra Firma elects to distribute the Meeting Materials, Terra Firma is hereby directed to distribute the Circular (including the Notice of Application, and this Interim Order), and any other communications or documents determined by Terra Firma to be necessary or desirable (collectively, the "**Court Materials**") to holders of deferred share units of Terra Firma ("**DSUs**") and holders of options to purchase Shares ("**Options**") by any method permitted for notice to Shareholders as set forth in subparagraphs 12(a) or 12(b), above, or by e-mail or other electronic transmission, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons shall be to their addresses as they appear on the books and records of Terra Firma or its registrar and transfer agent at the close of business on the Record Date.

14. THIS COURT ORDERS that accidental failure or omission by Terra Firma to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Terra Firma, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Terra Firma, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. THIS COURT ORDERS that Terra Firma is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as Terra Firma may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by e-mail, press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Terra Firma may determine.

16. THIS COURT ORDERS that distribution of the Meeting Materials and the Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

17. THIS COURT ORDERS that Terra Firma is authorized to use the letter of transmittal and form of proxy substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as Terra Firma may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Terra Firma and the Buyer are authorized, each at their own expense, to solicit proxies, directly or through their respective officers, directors or employees, and through such agents or representatives as they may each retain for that purpose, and by mail or such other forms of personal or electronic communication as they may each determine. Terra Firma may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if Terra Firma deems it advisable to do so.

18. THIS COURT ORDERS that registered Shareholders shall be entitled to revoke their proxies in accordance with section 110(4) of the OBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 110(4)(a) of the OBCA must be deposited with Terra Firma as set out in the Circular to be received at any time up to and including the last business day preceding the date of the Meeting or any adjournment thereof, or with the Chair of the Meeting prior to the start of the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting

19. THIS COURT ORDERS that the only persons entitled to vote in person (or virtually) or represented by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Shares as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed

to be votes not cast. Forms of proxy that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. THIS COURT ORDERS that votes shall be taken at the Meeting on the basis of one vote per Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be approved, with or without variation, at the Meeting by the affirmative vote of:

(a) not less than two-thirds ($66^{2}/_{3}\%$) of the votes cast on the Arrangement Resolution by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions.*

Such votes shall be sufficient to authorize Terra Firma to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Court.

21. THIS COURT ORDERS that in respect of matters properly brought before the Meeting pertaining to items of business affecting Terra Firma (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Share held.

Dissent Rights

22. THIS COURT ORDERS that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 182 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any registered Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Terra Firma in the form required by section 185 of the OBCA and the Arrangement Agreement, which written objection must be received by Terra Firma c/o Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9, Attention: Ryan Morris or by e-mail at: ryan.morris@blakes.com to be received no later than 4:00 p.m. (Toronto time) on October 17, 2023 or 4:00 p.m. (Toronto time) on the day which is two Business Days immediately preceding the date that any adjourned or postponed Meeting is reconvened or held, as the case may be, and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the "court" referred to in section 185 of the OBCA means this Court.

23. THIS COURT ORDERS that any registered Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Shares, shall be deemed to have transferred those Shares as of the applicable

time set forth in the Plan of Arrangement, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to Terra Firma in consideration for a payment of cash from Terra Firma equal to such fair value; or

ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Terra Firma, the Buyer, or any other person be required to recognize such Shareholders as holders of Shares at or after the date upon which the Arrangement becomes effective, and the names of such Shareholders shall be deleted from Terra Firma's register of holders of Shares at that time set forth in the Plan of Arrangement.

Hearing of Application for Approval of the Arrangement

24. THIS COURT ORDERS that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Terra Firma may apply to this Court for final approval of the Arrangement.

25. THIS COURT ORDERS that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraphs 12 and 13, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27.

26. THIS COURT ORDERS that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Terra Firma, with a copy to counsel for the Buyer, as soon as reasonably practicable and, in any event, no less than four (4) business days before the hearing of this Application at the following addresses:

BLAKE, CASSELS & GRAYDON LLP
199 Bay Street, Suite 4000
Commerce Court West
Toronto, ON M5L 1A9

Attention: Ryan A. Morris
ryan.morris@blakes.com
Lawyers for Terra Firma Capital Corporation

GOODMANS LLP
333 Bay Street, Suite 3400
Toronto, ON M5H 1S7

Attention: Tom Friedland
tfriedland@goodmans.ca
Lawyers for GM Capital Corp.

27. THIS COURT ORDERS that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

(a) Terra Firma;

(b) the Buyer;

(c) the Director; and

(d) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

28. THIS COURT ORDERS that any materials to be filed by Terra Firma in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

29. THIS COURT ORDERS that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Service and Notice

30. THIS COURT ORDERS that Terra Firma and its counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Shareholders, creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

Precedence

31. THIS COURT ORDERS that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Shares, DSUs, Options or the articles or by-laws of Terra Firma, this Interim Order shall govern.

Extra-Territorial Assistance

32. THIS COURT seeks and requests the aid and recognition of any court or any judicial, regulatory, or administrative body in any province of Canada and any judicial, regulatory or

administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

33. THIS COURT ORDERS that Terra Firma shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

Digitally signed by
Peter Cavanagh

Electronically issued / Délivré par voie électronique : 19-Sep-2023
Toronto Superior Court of Justice / Cour supérieure de justice

Court File No. CV-23-00705981-00CL

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO), R.S.O. 1990, CHAP. B.16, AS AMENDED
AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE
AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT INVOLVING TERRA FIRMA CAPITAL CORPORATION AND GM CAPITAL CORP.

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST

Proceeding commenced at Toronto

INTERIM ORDER

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
199 Bay Street, Suite 4000
P.O. Box 25, Commerce Court West
Toronto, ON M5L 1A9

Ryan A. Morris LSO# 50831C
Tel: (416) 863-2176
Email: ryan.morris@blakes.com

Lawyers for the Applicant,
Terra Firma Capital Corporation

APPENDIX "G" NOTICE OF APPLICATION FOR THE FINAL ORDER

See attached.

Court File No. CV-23- -00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

(Court Seal)

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO), R.S.O. 1990, CHAP. B.16, AS AMENDED

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT INVOLVING TERRA FIRMA CAPITAL CORPORATION AND GM CAPITAL CORP.

NOTICE OF APPLICATION

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing *(choose one of the following)*

☐ In writing
☐ In person
☐ By telephone conference
☒ By video conference

at the following location:

To be provided by the Court.

Please advise if you intend to join the hearing by emailing Ryan Morris at ryan.morris@blakes.com.

On Tuesday, October 24, 2023, at 10:00 a.m., before the Honourable Justice Osborne.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date _____ Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto ON M5G 1R7

TO: All Holders of Common Shares in the capital of Terra Firma Capital Corporation as of September 18, 2023

AND TO: All Holders of Options to purchase Common Shares in the capital of Terra Firma Capital Corporation as of September 18, 2023

AND TO: All Holders of Deferred Share Units of Terra Firma Capital Corporation as of September 18, 2023

AND TO: The Directors of Terra Firma Capital Corporation

AND TO: The Auditor of Terra Firma Capital Corporation

AND TO: The Director Appointed under the OBCA

AND TO: **GOODMANS LLP**
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Tom Friedland LSO#: 31848L
Tel: (416) 597-4218
tfriedland@goodmans.ca

Lawyers for GM Capital Corp.

APPLICATION

1. The Applicant, Terra Firma Capital Corporation ("**Terra Firma**") makes application for:

   (a) an order pursuant to section 182 of the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B-16, as amended (the "**OBCA**"), approving a Plan of Arrangement (the "**Plan of Arrangement**") proposed by Terra Firma and described in the Terra Firma Management Information Circular (the "**Circular**"), which Circular will be attached as an exhibit to the affidavit to be filed in support of this Application, and which Arrangement will result in, among other things, the acquisition by GM Capital Corp. (the "**Buyer**") of all of the issued and outstanding common shares in the capital of Terra Firma (the "**Shares**") not owned by the Buyer;

   (b) an interim order for the advice and directions of this Court pursuant to section 182 of the OBCA with respect to the Plan of Arrangement and this Application (the "**Interim Order**");

   (c) an order abridging the time for the service and filing or dispensing with service of the Notice of Application and Application Record, if necessary; and

   (d) such further and other Relief as to this Honourable Court may seem just.

2. The grounds for the application are:

   (a) Terra Firma is incorporated pursuant to the laws of Ontario with its corporate office in Toronto and operates as a publicly traded real estate finance company that provides customized debt and equity solutions to the real estate industry in Canada

and the United States. Common shares in the capital of Terra Firma (the "**Shares**") are listed and traded on the TSX Venture Exchange under the symbol "TII.V";

(b) the Buyer is a corporation formed under the laws of Ontario for the sole purpose of consummating the transactions contemplated by the Plan of Arrangement and is controlled by Dov Meyer, the executive chairman of Terra Firma, and Seth Greenspan, the managing director of Terra Firma, and their respective associates;

(c) pursuant to the Plan of Arrangement, in summary:

(i) the Buyer will acquire all of the Shares (other than Shares held by the Buyer) and Terra Firma will become a wholly-owned subsidiary of the Buyer; holders of Shares (other than the Buyer) will receive consideration of $7.30 in cash per Share;

(ii) all outstanding Terra Firma deferred share units ("**DSUs**"), whether vested or unvested, shall be deemed to be assigned and transferred to Terra Firma in exchange for cash payment of $7.30 in respect of each DSU and such DSU shall be cancelled; and

(iii) all outstanding options to purchase Shares (each, an "**Option**"), whether vested or unvested, shall be deemed to be unconditionally vested and exercisable and shall be deemed to be assigned and transferred to Terra Firma in exchange for cash payment equal to the amount by which $7.30 exceeds the exercise price per Share of such Option and such option shall be cancelled;

(d) the Arrangement is an "arrangement" within the meaning of subsection 182(1) of the OBCA;

(e) all statutory requirements for an arrangement under the OBCA either have been fulfilled or will be fulfilled by the date of the return of the Application;

(f) the directions set out and the approvals required pursuant to any Interim Order this Court may grant will be followed and obtained by the return date of this Application;

(g) the Arrangement is put forward in good faith for a *bona fide* business purpose;

(h) the Arrangement is fair and reasonable, and it is appropriate for this Court to approve the Arrangement;

(i) this application has a material connection to the Toronto Region;

(j) section 182 of the OBCA;

(k) National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

(l) Rules 3.02(1), 14.05, 16.04(1), 16.08, 17.02, 37 and 38 of the *Rules of Civil Procedure*; and

(m) such further and other grounds as the lawyers may advise and this Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

(a) such Interim Order as may be granted by this Court;

(b) the affidavit of the chair of the special committee of the Terra Firma board of directors, Tristan Kingcott, to be sworn, and the exhibits thereto;

(c) such further affidavit(s) on behalf of the Applicant reporting as to the compliance with any Interim Order of this Court and as to the result of any meetings ordered by any Interim Order of this Court; and

(d) such further and other evidence as the lawyers may advise and this Court may permit.

4. This Notice of Application will be sent to all registered holders of Shares, DSUs and Options as of September 18, 2023 at the address of each holder as shown on the books and records of Terra Firma or as this Court may direct in the Interim Order, pursuant to rule 17.02(n) of the *Rules of Civil Procedure* in the case of those holders whose addresses, as they appear on the books and records of Terra Firma, are outside Ontario.

September 13, 2023

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
199 Bay Street, Suite 4000
P.O. Box 25, Commerce Court West
Toronto ON M5L 1A9

Ryan A. Morris LSO #50831C
Tel: (416) 863-2176
ryan.morris@blakes.com

Lawyers for the Applicant,
Terra Firma Capital Corporation

Court File No. CV-23- -00CL

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO), R.S.O. 1990, CHAP. B.16, AS AMENDED
AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE
AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT INVOLVING TERRA FIRMA CAPITAL CORPORATION AND GM CAPITAL CORP.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
199 Bay Street, Suite 4000
P.O. Box 25, Commerce Court West
Toronto ON M5L 1A9

Ryan A. Morris LSO #50831C
Tel: (416) 863-2176
ryan.morris@blakes.com

Lawyers for the Applicant,
Terra Firma Capital Corporation

APPENDIX "H" SECTION 185 OF THE OBCA

Rights of dissenting shareholders

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

(a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;

(b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;

(c) amalgamate with another corporation under sections 175 and 176;

(d) be continued under the laws of another jurisdiction under section 181;

(d.1) be continued under the *Co-operative Corporations Act* under section 181.1;

(d.2) be continued under the *Not-for-Profit Corporations Act, 2010* under section 181.2; or

(e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or

(b) subsection 170 (5) or (6).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, 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 day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

(a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);

(b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or

(c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

(b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain 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.

Idem

(30) 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, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.