



**NOTICE OF ANNUAL GENERAL MEETING**

**and**

**INFORMATION CIRCULAR – PROXY STATEMENT**

**WITH RESPECT TO THE**

**ANNUAL GENERAL MEETING OF  
SHAREHOLDERS**

**TO BE HELD MAY 10, 2019**



**AGJUNCTION INC.**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE is hereby given that an annual general meeting (the "**Meeting**") of the holders of common shares ("**Common Shares**") in the capital of AgJunction Inc. (the "**Corporation**" or "**AgJunction**") will be held at the offices of AgJunction at 9105 E Del Camino Drive, Suite 115, Scottsdale, Arizona, USA on May 10, 2019 at 8:00 a.m. (Mountain Standard Time) for the following purposes:

1. to place before shareholders the financial statements of the Corporation, together with the report of the auditors thereon, for the year ended December 31, 2018;
2. to fix the number of directors to be elected at the Meeting at five (5);
3. to elect five (5) directors for the ensuing year;
4. to appoint RSM US, LLP as auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration as such; and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the management information circular – proxy statement of the Corporation dated March 29, 2019 (the "**Information Circular**") accompanying and forming part of this Notice of Annual General Meeting.

The Board of Directors of the Corporation have fixed a record date for the purpose of determining the shareholders entitled to receive notice of and vote at the Meeting. Each person who is a holder of Common Shares of record at the close of business on March 29, 2019 (the "**Record Date**") will be entitled to notice of, and to attend and vote at, the Meeting except, to the extent that such a shareholder transfers the ownership of any of his or her Common Shares after the Record Date and the transferee of those Common Shares establishes that he or she owns such Common Shares and demands, not later than ten (10) days before the Meeting, that his or her name be included in the list of shareholders entitled to vote at the Meeting, such transferee will be entitled to vote such Common Shares at the Meeting.

**A registered shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the enclosed Instrument of Proxy for use at the Meeting or any adjournment or postponement thereof. To be valid, completed Instruments of Proxy must be dated, completed, signed and deposited with AgJunction's transfer agent, Computershare Trust Company of Canada: (a) by mail, using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (b) by hand delivery to Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; or (c) by telephone to 1-866-732-8683 for North American callers or to 1-312-588-4290 for callers outside North America. You may also vote through the internet and if you do vote through the internet, you may also appoint another person to be your proxyholder. Please go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions. You will require your 15-digit control number found on your proxy form.**

Your Instrument of Proxy or voting instructions must be received in each case no later than 8:00 a.m. (Mountain Standard Time) on May 8, 2019 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjourned or postponed meeting. If you are unable to attend the Meeting, we encourage you to complete the enclosed Instrument of Proxy as soon as possible. If a Shareholder receives more than one Instrument of Proxy because such holder owns Common Shares registered in different names or addresses, each Instrument of Proxy should be completed and returned.

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or the shareholder's attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized. **The persons named in the enclosed Instrument of Proxy are officers and/or directors of the Corporation. Each shareholder has the right to appoint a person or persons, who need not be shareholders of the Corporation, other than the persons designated in the Instrument of Proxy furnished by the Corporation, to attend and act on such shareholder's behalf at the Meeting. To exercise such right, the names of management's nominees may be crossed out and the name(s) of the shareholder's nominee(s) legibly printed in the blank space provided.**

A proxyholder has discretion under the enclosed Instrument of Proxy in respect of amendments or variations to matters identified in this Notice of Annual General Meeting and with respect to other matters which may properly come before the Meeting, or any adjournment or postponement thereof. As of the date hereof, management of AgJunction knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Annual General Meeting. Shareholders who are planning on returning the Instrument of Proxy are encouraged to review the Information Circular carefully before submitting the Instrument of Proxy.

**It is the intention of the persons named in the enclosed Instrument of Proxy, if not expressly directed to the contrary in such Instrument of Proxy, to vote in favour of each of the matters to be considered at the Meeting.**

DATED at Calgary, Alberta, this 29<sup>th</sup> day of March, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*Lori S. Ell*"  
Lori S. Ell  
Chair of the Board

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## GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular.

"**Board**" or "**Board of Directors**" means the board of directors of AgJunction as presently constituted;

"**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday when banks are generally open for the transaction of banking business;

"**Common Shares**" means the common shares of AgJunction, as presently constituted;

"**Corporation**" or "**AgJunction**" means AgJunction Inc., a corporation incorporated pursuant to the laws of the Province of Alberta;

"**Director**" means a director of the Corporation;

"**Information Circular**" means this information circular – proxy statement March 29, 2019 in respect of the Meeting;

"**Meeting**" means the Annual General Meeting of the shareholders of AgJunction to be held on May 10, 2019 and any adjournments or postponements thereof;

"**Notice**" means the Notice of Annual General Meeting of Shareholders accompanying this Information Circular;

"**Option**" means an option to purchase Common Shares issued pursuant to the Share Option Plan;

"**Record Date**" means the record date for the Meeting, being March 29, 2019;

"**Restricted Share**" means a Common Share granted to a participant under the Restricted Share Plan;

"**Restricted Share Plan**" means the restricted share plan of the Corporation, as amended;

"**Share Option Plan**" means the share option plan of the Corporation, as amended; and

"**TSX**" means the Toronto Stock Exchange.

Unless otherwise specified, amounts reported in this Information Circular are in United States dollars as this is the reporting currency used in our consolidated financial statements.

**AGJUNCTION INC.****INFORMATION CIRCULAR - PROXY STATEMENT****March 29, 2019****Annual General Meeting of Shareholders  
to be held on May 10, 2019****PART I - INTRODUCTION**

**This Information Circular - Proxy Statement is furnished in connection with the solicitation of proxies by the management of AgJunction Inc.** (the "Corporation" or "AgJunction") for use at the Annual General Meeting of Shareholders of the Corporation (the "Meeting") to be held at the offices of AgJunction at 9105 E Del Camino Drive, Suite 115, Scottsdale, Arizona, USA on May 10, 2019 at 8:00 a.m. (Mountain Standard Time) and at any adjournment or postponement thereof, and on every ballot that may take place in consequence thereof, for the purposes set forth in the Notice.

Unless otherwise stated, the information contained in this Information Circular is given as at March 29, 2019.

No person has been authorized by AgJunction to give any information or make any representations in connection with the matters herein described other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by AgJunction.

**PART II - GENERAL PROXY INFORMATION****Solicitation of Proxies**

The Board of Directors has fixed the record date for the Meeting at the close of business on March 29, 2019 (the "**Record Date**"). Only holders of Common Shares of record as at that date are entitled to notice of the Meeting. Shareholders of record will be entitled to vote those Common Shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers Common Shares after the Record Date and the transferee of those Common Shares, having produced properly endorsed certificates evidencing such Common Shares or having otherwise established that he or she owns such Common Shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

The information set forth below generally applies to registered holders of Common Shares (i.e., if your Common Shares are registered in your name). If you are a Beneficial Holder of Common Shares (i.e. if your Common Shares are held through a broker, financial institution or other nominee), please see "*Advice to Beneficial Holders of Securities*" in this Information Circular.

**Appointment of Proxies**

A registered shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the enclosed Instrument of Proxy for use at the Meeting or any adjournment or postponement thereof. To be valid, completed Instruments of Proxy must be completed, dated, signed and deposited with AgJunction's transfer agent, Computershare Trust Company of Canada: (a) by mail, using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (b) by hand delivery to Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; (c) by telephone to 1-866-732-8683 for North American callers or to 1-312-588-4290 for callers outside North America; or (d) through the internet at [www.investorvote.com](http://www.investorvote.com), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or postponement thereof. If you vote through the internet you will require your 15-digit control number found on the enclosed Instrument of Proxy.

The instrument appointing a proxy shall be in writing and must be executed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees, etc. should so indicate and give their full title as such.

**The persons named in the enclosed Instrument of Proxy are officers and/or Directors of the Corporation. Each shareholder has the right to appoint a person or persons, who need not be shareholders of the Corporation, other than the persons designated in the Instrument of Proxy furnished by the Corporation, to attend and act on such shareholder's behalf at the Meeting. To exercise such right, the names of management's nominees may be crossed out and the name(s) of the shareholder's nominee(s) legibly printed in the blank space provided, or another appropriate instrument of proxy may be submitted.**

#### **Revocability of Proxy**

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy: (a) by instrument in writing executed by the shareholder or such shareholder's attorney authorized in writing or if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited either with Computershare Trust Company of Canada, acting as scrutineer, at the office of Computershare Trust Company of Canada designated in the Notice and this Information Circular not later than 5:00 p.m. (Calgary time) on the Business Day preceding the day of the Meeting (or any adjournment or postponement thereof) or with the Chair on the day of the Meeting (or any adjournment or postponement thereof); or (b) by a duly executed and deposited proxy bearing a later date or time than the date or time of the proxy being revoked.

**It should be noted that the participation in person by a shareholder in a vote by ballot at the Meeting will automatically revoke any proxy which has been previously given by the shareholder in respect of business covered by that vote.**

#### **Persons Making the Solicitation**

**This solicitation is made on behalf of the management of the Corporation.** The costs incurred in the preparation and mailing of the Instrument of Proxy, the Notice and this Information Circular will be borne by the Corporation. In addition to the use of mail, Instruments of Proxy may be solicited by personal interviews, telephone or other means of communication by Directors, officers and employees of the Corporation, none of whom will be specifically remunerated therefor.

#### **Exercise of Discretion**

Common Shares represented by a duly completed and properly signed Instrument of Proxy will be voted in accordance with the instructions specified therein. **Where no choice is specified, such Common Shares will be voted in favour of the matters described in the Notice. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and with respect to any other matters which may properly be brought before the Meeting or any adjournment or postponement thereof. As of the date hereof, management of AgJunction knows of no amendments, variations or other matters to come before the Meeting; however, if any other matter properly comes before the Meeting, the enclosed Instrument of Proxy will be voted on such matter in accordance with the best judgment of the person(s) voting the proxies.**

#### **Advice to Beneficial Holders of Securities**

The information set forth in this section is of significant importance to many shareholders of AgJunction, as a substantial number of the shareholders of AgJunction do not hold Common Shares in their own name but instead hold their Common Shares through brokers, financial institutions or other nominees. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only Instruments of Proxy deposited by shareholders whose names appear on the applicable registrar and transfer agent as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If

Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases those Common Shares will not be registered in the shareholder's name on the records of AgJunction. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of the broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for, withheld or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. **Beneficial Shareholders should therefore ensure that instructions regarding the voting of their Common Shares are properly communicated to the appropriate person or that the Common Shares are duly registered in their name well in advance of the Meeting.**

The Directors and officers of AgJunction do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholders on how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable Voting Instruction Form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the Voting Instruction Form by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or access the internet to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a form of proxy or Voting Instruction Form from their broker or other intermediary (or an agent or nominee of such broker or other intermediary) cannot use that form to vote Common Shares directly at the Meeting. Voting instructions must be communicated to the broker, intermediary, agent or nominee (in accordance with the instructions provided by it or on its behalf) well in advance of the Meeting in order to have the Common Shares to which such instructions relate voted at the Meeting.**

If you are a Beneficial Holder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the shareholder's broker or other intermediary, a Beneficial Shareholder may attend at the Meeting as a proxyholder and vote their Common Shares in that capacity. If a Beneficial Shareholder wishes to attend the Meeting and vote their Common Shares, it must do so as proxyholder for the registered holder of the Common Shares. To do this, a Beneficial Shareholder should enter his or her name in the blank space on the applicable form of proxy or voting instruction form provided to him or her and return the document to his or her broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting.

The Corporation is not using "notice-and-access" to send its proxy-related materials to shareholders, and paper copies of such materials will be sent to all shareholders. The Corporation will be sending proxy-related materials directly to non-objecting Beneficial Shareholders and the Corporation intends to pay for the costs of an intermediary to deliver to objecting Beneficial Shareholders the proxy-related materials.

These securityholder materials are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

## **PART III - MATTERS TO BE ACTED UPON AT THE MEETING**

### **Financial Statements and Auditors' Report**

At the Meeting, the financial statements of the Corporation for the year ended December 31, 2018 and the Auditors' Report thereon will be placed before shareholders, but no vote by the shareholders with respect thereto is required or proposed to be taken.

### **Fix the Number of Directors to be Elected at the Meeting**

The Articles of the Corporation specify that the Board of Directors shall consist of a minimum of three and a maximum of eleven Directors. At the Meeting, it is proposed that the number of Directors of the Corporation to be elected at the Meeting be set at five (5), as may be adjusted between shareholders' meetings by way of resolution of the Board. Accordingly, unless otherwise directed, it is the intention of management of the Corporation to vote Instruments of Proxy in the accompanying form in favour of fixing the number of Directors of the Corporation to be elected at the Meeting at five (5).

### **Appointment of Directors**

#### ***Majority Voting for Directors***

The Board has adopted a policy stipulating that if the "WITHHOLD" votes in respect of the election of a Director nominee at the Meeting represent more than the "FOR" votes, the nominee will immediately submit his or her resignation, for the Board's consideration. The Board will consider such resignation within 90 days of the Meeting and will accept the nominee's resignation absent exceptional circumstances, having regard to all relevant matters. The Board's decision to accept or reject the resignation will be disclosed to the public by press release promptly after such decision has been made and a copy of such news release will be provided to the TSX. If the Board determines not to accept the resignation, the news release will fully state the reasons for that determination. The nominee will not participate in any Board deliberations on the resignation. The policy does not apply in circumstances involving contested Director elections.

#### ***Advance Notice By-law***

The Corporation's Advance Notice By-Law (the "**By-law**"), which was ratified by shareholders at the Corporation's annual general and special meeting of shareholders held in 2016, contains advance notice provisions, which provide shareholders, the Board and management of the Corporation with a clear framework for nominating directors to help ensure orderly business at shareholder meetings by effectively preventing a shareholder from putting forth director nominations from the floor of a shareholder meeting without prior notice. Among other things, the By-law fixes a deadline by which shareholders must submit notice of director nominations to the Corporation prior to any annual or special meeting of shareholders. It also specifies the information that a nominating shareholder must include in the notice to the Corporation regarding each director nominee and the nominating shareholder for the notice to be in proper written form in order for any director nominee to be eligible for nomination and election at any annual or special meeting of shareholders of the Corporation. These requirements are intended to provide all shareholders with the opportunity to evaluate and review the proposed candidates and vote on an informed and timely manner regarding such nominees. The By-law does not affect nominations made pursuant to a "proposal" made in accordance with the *Business Corporations Act* (Alberta) ("**ABCA**") or a requisition of a meeting of shareholders made pursuant to the ABCA. As of the date of this Information Circular, the Corporation has not received any nominations pursuant to the advance notice provisions contained in the By-law.

### *Election of Directors*

At the Meeting, shareholders will be asked to vote "FOR" or "WITHHOLD" on the proposed Directors set forth below to hold office until the next annual meeting or until their successors are elected or appointed.

Mr. Levenson will not be standing for re-election at the Meeting and will retire from the Board as of the date of the Meeting.

Unless otherwise directed, it is the intention of management to vote Instruments of Proxy in the accompanying form in favour of electing as Directors the five (5) nominees hereinafter set forth:

Scott B. Edmonds  
Lori S. Ell  
Jonathan W. Ladd

Jose F. Suarez  
David E. Vaughn

The names, province/state and country of residence of the persons nominated for election as Directors, the number of Common Shares beneficially owned or controlled or directed, directly or indirectly, as of March 29, 2019 by each Director, the offices held by each in the Corporation, the period served as a Director and the principal occupation of each are as follows:

<b>Name, Province/State and Country of Residence and Position with the Corporation</b>	<b>Principal Occupation During Past Five Years</b>	<b>Director Since</b>	<b>Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly</b>
Scott B. Edmonds <sup>(1)(2)(3)(4)</sup> British Columbia, Canada Director and Chair of the Audit and Compensation Committees	Mr. Edmonds is an independent consultant and corporate director who has served on a variety of public company boards since the early 2000's, including with high tech hardware manufacturers Vecima Networks Inc. (TSX:VCM) and Apivio Systems Inc. (TSX.V:APV). Mr. Edmonds was formerly the CEO of two high tech hardware companies, Photon Control Inc. (TSX:PHO) and Webtech Wireless Inc. (TSX:WEW) and spent ten years with The Walt Disney Company in France and Asia. Mr. Edmonds qualified as a Chartered Accountant, holds a BBA in Finance, has completed the Executive Development Program at the Kellogg School and holds an ICD.D designation from the Institute of Corporate Directors.	2016	74,795 <sup>(4)</sup> 0.06%

Name, Province/State and Country of Residence and Position with the Corporation	Principal Occupation During Past Five Years	Director Since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly
Lori S. Ell <sup>(1)(2)(3)(5)</sup> Alberta, Canada Chair of the Board	President of Growing Ideas, a business consulting practice located in Calgary, Alberta. From 2004 to 2012, Ms. Ell was the President of Agristar Inc, an agri-food manufacturing company. Prior thereto, Ms. Ell was CFO for Quortech Solutions Ltd. a technology company. Ms. Ell is a Certified Public Accountant, holds a Bachelor of Management degree, and holds an ICD.D designation from the Institute of Corporate Directors. Ms. Ell sits on the board of directors for the Calgary Co-op, Wild Rose Brewery and Sawridge Group. She is a director on two Canadian Federal Departmental Audit Committees-Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada.	2016	71,918 <sup>(5)</sup> 0.06%
Jonathan W. Ladd <sup>(3)(6)</sup> New Hampshire, USA Director, Chair of the Corporate Governance Committee and Senior Strategic Advisor	Independent Business Consultant, a Board Member and Senior Strategic Advisor for AgJunction since October 2015. Director of Novariant Inc. from October 2012 to October 2015. Prior thereto, over 35 years of senior management experience in the GPS/GNSS and the wireless industries, including Chief Executive Officer and Chair at Brilliant Telecommunications, President and Chief Executive Officer at NovAtel Inc., senior executive positions at Thales Navigation, Magellan Inc. and Ashtech Inc. and board positions at Hemisphere GNSS, Inc., Trusted Positioning Inc., Nexteq Navigation Corporation, RF Monolithics Inc. and Ashtech A/O.	2015	861,193 <sup>(6)</sup> 0.72%
Jose F. Suarez <sup>(1)(2)(7)</sup> California, USA Director	Managing Director of Patricia Industries, (formerly, Investor Growth Capital, Inc.). Prior thereto, based in Investor Growth Capital Inc.'s Asian office managing a broad range of investments both in the public markets and in privately negotiated situations.	2015	18,754,974 <sup>(7)</sup> 15.76%

Name, Province/State and Country of Residence and Position with the Corporation	Principal Occupation During Past Five Years	Director Since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly
David E. Vaughn <sup>(8)</sup> California, USA Director and President and Chief Executive Officer	President and Chief Executive Officer of the Corporation since October 2015. Prior thereto, President and Chief Executive Officer of Novariant, Inc. from May 2012 to October 2015. Prior thereto, over 20 years of senior executive experience in precision guidance and agri-businesses similar to AgJunction. His roles included executive-level positions with Topcon Positioning Systems Inc., NovAtel Inc., Magellan Inc. and Trimble Navigation Limited. He has served on the board of directors for a number of technology corporations and has extensive professional experience in the high-tech sector, including serving in an executive capacity with Apple Inc. and Hewlett-Packard.	2015	2,328,934 <sup>(8)</sup> 1.96%

## Notes:

- (1) Member of the Corporation's Audit Committee.
- (2) Member of the Corporation's Compensation Committee.
- (3) Member of the Corporation's Corporate Governance Committee.
- (4) Excludes Options to purchase an aggregate of 62,610 Common Shares at CDN\$0.53 per Common Share and Options to purchase an aggregate of 172,283 Common Shares at CDN\$0.51 per Common Share. The total number of Common Shares includes 54,795 Restricted Shares issued to Mr. Edmonds pursuant to the Restricted Share Plan, which Restricted Shares are currently subject to forfeiture and transfer restrictions (see "*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements – Equity Incentive Compensation – Restricted Share Plan*").
- (5) Excludes Options to purchase an aggregate of 62,610 Common Shares at CDN\$0.53 per Common Share and Options to purchase an aggregate of 226,121 Common Shares at CDN\$0.51 per Common Share. The total number of Common Shares 71,918 Restricted Shares issued to Ms. Ell pursuant to the Restricted Share Plan, which Restricted Shares are currently subject to forfeiture and transfer restrictions (see "*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements – Equity Incentive Compensation – Restricted Share Plan*").
- (6) Excludes Options to purchase an aggregate of 800,000 Common Shares at CDN\$0.70 per Common Share. The total number of Common Shares includes 50,228 Restricted Shares issued to Mr. Ladd pursuant to the Restricted Share Plan, which Restricted Shares are currently subject to forfeiture and transfer restrictions (see "*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements – Equity Incentive Compensation – Restricted Share Plan*").
- (7) Investor Group, LP holds 5,626,491 of the 18,754,974 Common Shares and Investor Growth Capital Limited holds the remaining 13,128,483 Common Shares. Investor Growth Capital Limited and Investor Group LP are indirectly wholly owned subsidiaries of Investor AB. Jose Suarez, a Director of the Corporation, is a Managing Director of Patricia Industries, a wholly owned subsidiary of Investor AB.
- (8) Excludes Options to purchase an aggregate of 3,040,327 Common Shares at a price of CDN\$0.60 per Common Share. The total number of Common Shares includes 819,332 Restricted Shares issued to Mr. Vaughn pursuant to the Restricted Share Plan, which Restricted Shares are currently subject to forfeiture and transfer restrictions (see "*Executive Compensation – Compensation Discussion and Analysis – Compensation Elements – Equity Incentive Compensation – Restricted Share Plan*").
- (9) All of the Directors have been appointed to hold office until the next annual general meeting of shareholders or until their successor is duly elected or appointed in accordance with the ABCA, unless their office is earlier vacated.

The information as to principal occupation and as to Common Shares beneficially owned or controlled or directed, directly or indirectly, is based upon information provided by the nominees as of March 29, 2019. Each of the above nominees are currently Directors of the Corporation.

As at March 29, 2019, the Directors and executive officers of the Corporation, as a group, beneficially owned or controlled or directed, directly or indirectly, an aggregate of 36,577,074 Common Shares, being approximately 30.7% of the outstanding Common Shares.

No proposed Director is as at the date hereof, or has been, within 10 years of the date hereof, a director, chief financial officer or chief executive officer of any company, including the Corporation, that:

- (a) while the proposed Director was acting in such capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that occurred while the proposed Director was acting in such capacity which resulted, after the proposed Director ceased to be a director, chief financial officer or chief executive officer, in the company being the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

In addition, other than as set forth below, no proposed director is as at the date hereof, or has been, within 10 years of the date hereof:

- (a) a director or executive officer of any company, including the Corporation, that while the proposed Director was acting in that capacity or within a year of that person ceasing to act in that capacity made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director.

Mr. Vaughn acted as chief executive officer and a director of Soil and Topography Information, Inc. ("**STI**"), a Delaware corporation which was incorporated on October 19, 2010. STI entered into a security agreement dated February 10, 2010 with Pivotal Investment Partners I, LLP ("**Pivotal**"). The security agreement secured a loan agreement between STI and Pivotal and a secured convertible promissory note in the principal amount of \$250,000. STI was formally dissolved on October 27, 2013, following a management approved assignment of assets in lieu of foreclosure in favor of Pivotal, through its assignee, Soil Data, LLC.

Mr. Ladd acted as chief executive officer and a director of Brilliant Telecommunications, Inc. ("**Brilliant**"). On February 18, 2011, Brilliant reached an agreement regarding the sale of substantially all of its assets to Juniper Networks. Such sale was conducted via an assignment for the benefit of creditors' process under the laws of the State of California. As part of this process, all of Brilliant's assets were transferred to a trustee who then distributed the proceeds of the sale. Mr. Ladd resigned from his positions with Brilliant shortly after the agreement with Juniper Networks was reached. On or about August 9, 2011, one of Brilliant's former customers filed a lawsuit against Brilliant and Juniper Networks alleging breach of contract and unfair business practice. On or about September 28, 2011, a default judgment was entered by the court against Brilliant. No director or executive officer of Brilliant was ever named in such law suit and Mr. Ladd had no involvement nor any liability in connection with such law suit or any other proceeding.

Further, no proposed Director of the Corporation has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

## Appointment of Auditors

Unless otherwise directed, it is the intention of the persons named in the Instrument of Proxy furnished by the Corporation to vote in favour of an ordinary resolution to reappoint the firm of RSM US, LLP, to serve as auditors of the Corporation to hold office until the next annual general meeting of shareholders and to authorize the Board to fix their remuneration. RSM US, LLP have been the auditors of the Corporation since April 9, 2015.

The Audit Committee reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Corporation.

Certain information regarding AgJunction's Audit Committee, including the fees paid to AgJunction's auditors in the last two fiscal years, that is required to be disclosed in accordance with National Instrument 52-110 of the Canadian Securities Administrators, is contained in AgJunction's annual information form for the year ended December 31, 2018, an electronic copy of which is available on the internet on AgJunction's SEDAR profile at [www.sedar.com](http://www.sedar.com).

## PART IV - INFORMATION CONCERNING THE CORPORATION

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, an unlimited number of first preferred shares, issuable in series, and an unlimited number of second preferred shares, issuable in series. As at March 29, 2019, there were 118,982,897 Common Shares issued and outstanding and no first or second preferred shares issued and outstanding.

The holders of Common Shares are entitled to receive notice of, and to attend, all shareholders meetings (other than meetings of a class or series of shares of the Corporation other than the Common Shares) and to one (1) vote thereat for each Common Share held. The holders of the Common Shares are entitled to receive any dividends declared by the Board of Directors on the Common Shares as a class, subject to prior satisfaction of all preferential rights to dividends attached to all shares of the Corporation ranking in priority to the Common Shares, and in respect of return of capital, the holders of Common Shares are entitled to share pro rata, together with the holders of any other classes of shares ranking equally with the Common Shares, in such assets of the Corporation as are available for distribution.

Two persons present in person and holding or representing not less than five (5%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

Other than as disclosed below, to the knowledge of the Directors and executive officers of the Corporation, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than ten (10%) percent of the voting rights attached to the Common Shares as at the date hereof.

<u>Name of Shareholder and Country of Residence</u>	<u>Common Shares Owned, Controlled or Directed<sup>(1)</sup></u>	<u>Percentage of the Outstanding Common Shares of the Corporation<sup>(2)</sup></u>
Patricia Industries <sup>(3)</sup>	18,754,974	15.76%
Privet Fund Management LLC <sup>(4)</sup>	12,434,015	10.45%

Notes:

- (1) Information in respect of number of Common Shares owned, controlled or directed was based on the System for Electronic Disclosure by Insiders as at March 29, 2019.
- (2) As at March 29, 2019, there were 118,982,897 Common Shares issued and outstanding.
- (3) Patricia Industries (formerly, Investor Growth Capital, Inc.) is a wholly owned subsidiary of Investor AB, a publicly held Swedish Company. Investor Group, LP holds 5,626,491 of the 18,754,974 Common Shares and Investor Growth Capital Limited holds the remaining 13,128,483 Common Shares. Investor Growth Capital Limited and Investor Group LP are indirectly wholly owned subsidiaries of Investor AB. Jose Suarez, a Director of the Corporation, is a Managing Director of Patricia Industries.
- (4) Ryan Levenson, a Director of the Corporation is the founding principal, managing member and portfolio manager of Privet Fund Management LLC, a US Company. Mr. Levenson will be retiring as a Director of the Corporation as of the Meeting date.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Overview*

The ultimate goal of AgJunction's compensation program for the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and the three most highly compensated executive officers (or the five most highly compensated individuals acting in a similar capacity), other than the CEO and CFO, at the end of the year ended December 31, 2018 whose total compensation was more than \$150,000 (each a "NEO" and collectively, the "NEOs"), and for all AgJunction employees, is to foster profitable growth and to create long-term value for shareholders. During the year ended December 31, 2018 the following individuals were the NEOs of the Corporation:

- David Vaughn, President and Chief Executive Officer;
- Michael Manning, Senior Vice President and Chief Financial Officer;
- Doug Marinaro, Vice President Strategy;
- M. Brett McMickell, Senior Vice President of Global Product Development; and
- Mark Bittner, Senior Vice President Global Sales and Customer Care.

We believe that the ability, performance, commitment and retention of our executives are essential leadership factors that drive shareholder value. We have designed and implemented a pay-for-performance compensation program that rewards corporate and individual performance and the creation of shareholder value. We believe that the program motivates strong performance, aligns the interests of our NEOs and employees with those of our shareholders, and supports our attraction and retention goals.

Our Compensation Committee is currently comprised of three independent, non-employee Directors – Scott B. Edmonds (Chair), Lori S. Ell and Jose F. Suarez. The Compensation Committee is responsible for discharging the Board's responsibilities with respect to compensation for our NEOs, as well as to provide general oversight of our global compensation program. The Compensation Committee has formal terms of reference that have been included as Schedule D to this Information Circular and describe the responsibilities, powers and operation of the Compensation Committee. Under the terms of reference, the Compensation Committee has the authority to retain outside advisors as it determines appropriate to assist it in the performance of its functions.

The members of the Compensation Committee are each highly experienced executives, directors and/or businesspersons who have dealt with numerous compensation issues in the course of their leadership roles. The skills and experience that enable the members of the Compensation Committee to make decisions on the suitability of the Corporation's compensation policies and practices include the following:

- leadership roles as Chief Executive Officers, or other senior roles, providing experience and skills in managing human resources and compensation programs in the case of Mr. Edmonds and Ms. Ell;
- experience in leading and managing private companies and serving on the board of directors of public companies in the case of Mr. Edmonds and Ms. Ell; and
- international experience with venture capital companies focusing on infrastructure technology, in the case of Mr. Suarez.

Also see "*Part III – Matters to be Acted Upon at the Meeting – Appointment of Directors – Election of Directors*" for further information on each member of the Compensation Committee.

The purpose of this compensation discussion and analysis is to summarize our compensation objectives, the elements of our compensation program, our compensation decision-making process, and the factors that we considered in making decisions about executive compensation for the fiscal year 2018.

## ***Compensation Objectives***

### *Performance*

Key elements of our compensation program in 2018 were designed to reward strong corporate and individual performance, and retain our executives and key employees, including:

- base salaries were determined on a competitive basis depending on the executive's experience, scope of responsibilities, demonstrated leadership abilities, and effectiveness;
- incentive plan payments were based upon performance against pre-determined corporate performance by measuring profitability relative to the budgeted Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for the year; and
- equity incentive compensation was comprised of Restricted Shares. The ultimate value of equity incentive compensation is dependent on our share price. Our equity incentive compensation programs are subject to vesting schedules that require continued service with us. See further discussion below under the heading "*Attraction and Retention*".

### *Alignment of Management Objectives with that of Shareholders*

We seek to align the interests of the NEOs, and other executives and key employees, with those of our shareholders. Key elements of compensation that align the interests of our NEOs and other executives with shareholders include:

- our incentive plan, described below, compensates executives for the achievement of key corporate goals that we believe correlate with improving shareholder value; and
- equity incentive compensation in the form of Restricted Shares, under which the ultimate value of the compensation is based on stock price directly rewarding improvements in shareholder value.

### *Attraction and Retention*

AgJunction has implemented a compensation program that we believe is competitive in order to attract and retain high quality executives and other employees.

Base salaries are established at competitive levels as determined by competitive benchmarking. In addition, our benefits and other elements of our overall compensation program are designed with the objective to be comparatively appealing.

Executives (and certain key employees) receive Options and Restricted Shares. Options are generally granted with a four-year, vesting schedule. Restricted Shares are granted with a three or four-year vesting schedule, with a minimum one year period before the first vesting date. Both of these programs support our retention objective by requiring the employee to remain employed by the Corporation to realize the additional potential compensation.

### ***Risks***

In establishing the compensation program, the Compensation Committee considered the implications of the risks associated with our program, including:

- the risk of executives taking inappropriate or excessive risks;
- the risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders;
- the risk of encouraging aggressive accounting practices; and

- the risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety compliance.

While no program can fully eliminate risks, the Compensation Committee believes that risks are mitigated by:

- weighting long-term incentives towards equity-based incentives;
- avoiding narrowly focused performance goals and retaining adequate discretion to ensure that the Board and management retain their business judgment in assessing actual performance; and
- establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

Pursuant to AgJunction's Disclosure, Confidentiality and Trading Policy, Directors, officers and employees of AgJunction, shall not knowingly sell, directly or indirectly, a security of AgJunction if such person selling such security does not own or has not fully paid for the security to be sold and shall not, directly or indirectly, buy or sell a call or put in respect of a security of AgJunction. Notwithstanding these prohibitions, Directors, officers and employees of AgJunction may sell a Common Share which such person does not own if such person owns another security convertible into Common Shares or an option or right to acquire Common Shares sold and, within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the Common Shares so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable to the purchaser.

### *Compensation Elements*

The compensation of the NEOs during the year ended December 31, 2018 consisted of the following primary elements:

- base salary;
- benefits;
- short-term incentive plan;
- discretionary cash bonuses;
- equity incentives; and
- retirement savings assistance.

### *Base Salary*

Base salaries are designed to be competitive in order to attract and retain high caliber talent. The base salary for our NEOs is determined based upon an evaluation of the scope of their responsibilities, performance, experience and education and competitive benchmarking for similar positions. NEO base salary levels are reviewed annually by the Compensation Committee who considers ranges for base salary adjustments based upon consideration of corporate performance, cost of living changes, industry and market-performance data, and competitive compensation information received from compensation consulting firms and professional organizations. The adjustment to base salaries of NEOs will take into account these approved ranges, the performance of the NEO and changes in the NEOs responsibilities that may have taken place.

The base salaries of the NEOs for fiscal 2018 are discussed below and are summarized in the Summary Compensation Table contained herein.

### *Benefits*

We provide our NEOs and all employees with benefits that we believe are appealing to employees to enhance attraction and retention. The primary benefits provided include:

- medical, vision and dental insurance coverage;
- life insurance equal to one and a half of the employee's salary (maximum \$400,000), plus \$10,000 for spouse and \$2,500 for each child;
- short term and long-term disability insurance;

- employee assistance plan;
- continuing education assistance;
- fitness/wellness membership reimbursements of \$300 per year;
- Health Savings Accounts/Flexible Spending Accounts; and
- paid holidays and paid time off (including paid vacation and sick leave).

Employees who reside in Canada are responsible to pay the cost of short-term and long-term disability coverage and those who reside in the United States are responsible to pay for voluntary life and the incremental costs of their selected medical, vision and dental insurance plan in excess of the Corporation's contribution for each plan level.

#### *Short-Term Incentive Plan*

The short-term incentive plan (the "**Incentive Plan**") rewards executives and employees (excluding commissioned salespeople) with cash bonuses based upon the achievement of corporate financial profitability goals.

Performance targets are determined near the start of each fiscal year based upon our Board of Directors approved strategic plan and budget for that year. The Compensation Committee receives and considers the input of management in regard to setting the Corporation performance targets and determining whether changes in the structure of the Incentive Plan are required.

For 2016, the Incentive Plan payout for each eligible NEO (and all eligible employees) was determined based on the following formula:

$$\text{Tier Level \%} \times \text{Base Salary} \times \text{\% Allocated to Individual Performance Rating} \times \text{Target Incentive Rate Factor (EBITDA)}$$

- Tier level % is a tier system based on an individual's position with AgJunction. Each tier is assigned a percentage as follows:

<b>Tier</b>	<b>Annual Target Bonus (% of Base Salary)</b>	<b>Percentage of Annual Target Bonus Related to Corporation Performance</b>	<b>Percentage of Annual Target Bonus Related to Individual Performance</b>
1 – President and CEO	50%	50%	-
2 – Executive VP and Senior VP	40%	40%	-
3 – VP and Senior Director	30%	25%	5%
4 – Director	20%	16%	4%
5 – Manager/Functional Equivalent	10%	7.5%	2.5%
6 – Non-Management	8%	5.3%	2.7%
7 – Support Personnel	6%	3%	3%

For 2017, the Incentive Plan payout for each eligible NEO was determined based on the following formula:

$$\text{Tier Level \%} \times \text{Base Salary} \times \text{Target Incentive Rate (EBITDA)}.$$

- In 2017, AgJunction used the same Tier level % numbers as for 2016 and included an additional tier as outlined below:

<b>Tier</b>	<b>Annual Target Bonus (% of Base Salary)</b>	<b>Percentage of Annual Target Bonus Related to Corporation Performance</b>	<b>Percentage of Annual Target Bonus Related to Individual Performance</b>
Mid-Level Manager	15%	11.5%	3.5%

For 2018, the Incentive Plan payout for each eligible NEO was determined based on the following formula:

$$\text{Tier Level \%} \times \text{Base Salary} \times \text{Target Incentive Rate (EBITDA)}.$$

- In 2018, AgJunction used the same Tier level % numbers as for 2017 and 2016 with refinements made to the percentages assigned to certain tiers:

<b>Tier</b>	<b>Annual Target Bonus (% of Base Salary)</b>	<b>Percentage of Annual Target Bonus Related to Corporation Performance</b>	<b>Percentage of Annual Target Bonus Related to Individual Performance</b>
1 – President and CEO	50%	50%	-
2 – Executive VP and Senior VP	40%	40%	-
3 – VP and Senior Director	30%	30%	-
4 – Director	20%	16%	4%
5 – Mid-Level Manager	15%	11.5%	3.5%
6 – Manager/Functional Equivalent	10%	7.5%	2.5%
7 – Non-Management	8%	5.3%	2.7%
8 – Support Personnel	6%	3%	3%

The Compensation Committee reserves the right to adjust profitability to normalize it for unusual items that impact profits but which are out of the control of management. We have structured the Incentive Plan in this manner as we believe that profitable growth, together with strong performance of our employees relative to individual objectives, will correlate with improving shareholder value.

If the targeted performance objectives are achieved, or if in the discretion of the Board of Directors payout is otherwise justified, Incentive Plan payments are paid annually once the audit of our financial results is complete. No payments were made under the Corporation's Incentive Plan in the years ended December 31, 2016, 2017 and 2018 to NEOs.

#### *Cash Bonuses*

From time to time, the Compensation Committee has also awarded discretionary cash bonuses based upon its assessment of an executive's performance and contributions, and may do so in the future. A limited number of discretionary cash bonuses were paid in 2019 for 2018 performance.

#### *Equity Incentive Compensation*

The Compensation Committee has been authorized by the Board of Directors to administer our equity incentive compensation programs, which are comprised of the Share Option Plan and the Restricted Share Plan.

#### *Share Option Plan*

Historically, AgJunction has used Options issued pursuant to its Share Option Plan as a long-term incentive and retention program for its NEOs, and other executives and key employees. Option grants may also occur in other circumstances such as new hires, employee promotions, key employee retention efforts, and acquisition transactions as may be approved by the Compensation Committee. Options have historically been awarded to reward demonstrated performance and leadership, to motivate future performance, to align the interests of the NEOs, and other executives and employees, with those of our shareholders, and to support the retention of the executives and key employees through the term of the awards. In 2015, after consultation with AgJunction's legal counsel in the United States and Canada, the Corporation determined that Options were not as effective as a long-term incentive and retention tool for U.S. resident employees due to certain U.S. tax and securities laws, which have the effect of diminishing their value. Accordingly, the Board considered other means to incentivize and retain AgJunction's officers, Directors, key employees and key consultants in the U.S. and, after consultation with AgJunction's legal counsel in the United States and Canada, the Board approved the adoption of the Restricted Share Plan. See "*Restricted Share Plan*" below.

The Share Option Plan permits the granting of Options to purchase Common Shares to our officers, Directors, key employees and key consultants. The Share Option Plan has a rolling maximum/evergreen limit for the issuance of Options up to, but not in excess of 13% the outstanding Common Shares (or approximately 15,467,777 Common Shares as at March 29, 2019). At December 31, 2018, there were 119,085,010 Common Shares outstanding, providing an Option limit of 15,481,051 Options of which 7,312,754 Options were outstanding representing 6.1% of the outstanding number of Common Shares, leaving approximately 8,168,297 Common Shares (representing 6.9% of the issued and outstanding Common Shares on that date) available for future grants under the Share Option Plan before

taking into account Restricted Share grants which further reduces the unallocated entitlements. As of March 29, 2019, there were Options to purchase 7,312,754 Common Shares outstanding under the Share Option Plan (or approximately 6.1% of the 118,982,897 Common Shares outstanding as at such date), leaving approximately 8,155,023 Common Shares (representing 6.8% of the issued and outstanding Common Shares on that date) available for future grants under the Share Option Plan before taking into account Restricted Share grants which further reduces the unallocated entitlements.

The key features of the Share Option Plan are as follows:

- Directors, officers, employees and consultants, or those of subsidiaries, are eligible to receive Options under the Share Option Plan;
- the aggregate number of Common Shares issuable to any one person under the Share Option Plan, together with all other share compensation arrangements of the Corporation, must not exceed 7% of the then outstanding Common Shares (calculated on a non-diluted basis);
- the number of Common Shares together with all of the Corporation's other previously established or proposed share compensation arrangements issued to insiders within any one year period will not exceed 10% of the outstanding Common Shares;
- the aggregate number of Common Shares issuable to insiders at any time, under all security based compensation arrangements, must not exceed 10% of the outstanding Common Shares;
- any Options granted pursuant to the Share Option Plan shall be non-assignable;
- the vesting arrangements are within the discretion of the Board;
- the exercise price for Options is equal to the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant;
- the term of Option grants are within the discretion of the Board, but cannot be longer than 10 years;
- the optionholder may exercise its right ("**Put Right**") to require the Corporation to purchase all or any part of the optionholder's Options by delivering to the Corporation a written notice of exercise ("**Put Notice**") specifying the number of Options with respect to which the Put Right is being exercised. Upon the exercise of a Put Right the Corporation will, at its sole discretion, deliver to the optionholder a cheque representing the purchase price for the Options specified in the Put Notice or a number of Common Shares;
- the Share Option Plan provides for the automatic extension of the exercise period of an Option that would expire during a blackout period for a maximum of 10 days following the end of such blackout period;
- Options terminate within a period of time following an optionholder ceasing to be at least one of an employee, Director, officer or consultant of the Corporation or of a subsidiary of the Corporation. However, in the event of death, Options will expire at the earlier of the end of the original Option period or 12 months after the date of death; and
- The Corporation does not provide any financial assistance to Share Option Plan participants to facilitate the purchase of Common Shares.

The Share Option Plan requires shareholder approval for the following amendments:

- to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time;
- to change the manner of determining the minimum exercise price;

- to reduce the exercise price of any outstanding Options held by insiders;
- subject to the terms of the Share Option Plan, to extend the term of any outstanding Option held by insiders beyond the original expiry date of such Option;
- to make any change to eligible participants which would have the effect of broadening or increasing insider participation;
- to increase the maximum limit on the number of securities that may be issued to insiders;
- to permit an optionholder to transfer or assign Options to a new beneficial optionholder other than in the case of death of the optionholder; or
- to amend the amendment or discontinuance provisions of the Share Option Plan.

The Compensation Committee, subject to the prior approval of the Board of Directors, may approve amendments relating to the Share Option Plan without further approval of the shareholders, to the extent that such amendments relate to, without limitation:

- altering, extending or accelerating the terms and conditions of vesting of any Options;
- extending the term of Options held by a person other than a person who, at the time of the extension, is an insider, provided that the term does not extend beyond ten years from the date of grant;
- reducing the exercise price of Options held by a person other than a person who, at the time of the repricing, is an insider;
- accelerating the expiry date in respect of Options;
- adding a cashless exercise feature to the Share Option Plan;
- determining the adjustment provisions pursuant to the terms of the Share Option Plan;
- amending the definitions contained within the Share Option Plan;
- amending or modifying the mechanics of exercise of Options; or
- amendments of a "housekeeping" nature.

The Corporation's Options generally have a four year vesting period for employees and consultants and expire after five years. Options generally have a one year vesting period for Directors, which is consistent with their term.

Options are granted in accordance with a policy approved by the Board of Directors and provide for an exercise price equal to the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant. The Option agreements include provisions for the acceleration of vesting upon the permanent disability or death of the optionholder and upon a change in control. In addition, they provide that Options expire thirty days after the last day of employment or engagement with the Corporation.

Options only generate value for NEOs (and other executives/employees) to the extent the price of our Common Shares on the date of exercise exceed the exercise price, and thus only provide additional compensation if the share price grows over the term of the award. For this reason, we believe that Options are a motivational tool encouraging the NEOs (and other executives/employees) to undertake actions to grow shareholder value.

### *Restricted Share Plan*

On August 28, 2015, the Board approved the adoption of a Restricted Share Plan, which was approved by shareholders at the Corporation's annual and special meeting held on October 9, 2015.

Annual Restricted Share awards are made to NEOs, and to other executives, Directors and key employees. Restricted Shares may also occur in other circumstances such as new hires, employee promotions, key employee retention efforts and acquisition transactions as may be approved by the Compensation Committee. Restricted Shares are awarded to reward demonstrated performance and leadership, to motivate future performance, to align the interests of the NEOs, and other executives and employees with those of our shareholders, and to support the retention of the executives and key employees through the term of the awards.

The Restricted Share Plan permits the granting of Restricted Shares to our officers, Directors, key employees and key consultants. The Restricted Share Plan has a rolling maximum/evergreen limit for the issuance of Restricted Shares up to, but not in excess of 13% of the outstanding Common Shares (or approximately 15,467,777 Common Shares as at March 29, 2019). At December 31, 2018, there were 119,085,010 Common Shares outstanding, providing a Restricted Share limit of 15,481,051 Restricted Shares at which 3,519,280 Restricted Shares were outstanding representing 3.0% of the outstanding number of Common Shares, leaving approximately 11,961,771 Common Shares (representing 10.0% of the issued and outstanding Common Shares on that date) available for future grants under the Restricted Share Plan before taking into account Option grants which further reduces the unallocated entitlements. As of March 29, 2019, there were 3,276,348 Restricted Shares outstanding under the Restricted Share Plan (or approximately 2.7% of the 118,982,897 Common Shares outstanding as at such date), leaving approximately 12,191,429 Common Shares (representing 10.2% of the issued and outstanding Common Shares on that date) available for future grants under the Restricted Share Plan before taking into account Option grants which further reduces the unallocated entitlements..

The key features of the Restricted Share Plan are as follows:

- Directors, officers, employees and consultants, or those of subsidiaries, are eligible to receive Restricted Shares under the Restricted Share Plan;
- the aggregate number of Common Shares issuable to any one person under the Restricted Share Plan, together with all other share compensation arrangements of the Corporation, must not exceed 7% of the then outstanding Common Shares (calculated on a non-diluted basis);
- the number of Common Shares together with all of the Corporation's other previously established or proposed share compensation arrangements issued to insiders within any one year period will not exceed 10% of the outstanding Common Shares;
- the aggregate number of Common Shares issuable to insiders at any time, under all security based compensation arrangements, must not exceed 10% of the outstanding Common Shares;
- any Restricted Shares granted pursuant to the Restricted Share Plan are non-assignable;
- the vesting arrangements are within the discretion of the Board;
- upon the applicable conditions to vesting having been met, on the applicable vesting date, any vested Restricted Shares will be non-forfeitable and transferable by the participant and if the conditions to vesting have not been met by the applicable vesting date, the Restricted Shares that would have vested on the applicable vesting date will be deemed to have been forfeited by the participant. The Restricted Share Plan provides that vested Restricted Shares will not be transferred to a participant and may not be sold by a participant during a blackout period and unvested Restricted Shares will not be transferred to AgJunction for cancellation during a blackout period; and

- unvested Restricted Shares are forfeited following a participant ceasing to be at least one of an employee, Director, officer or consultant of the Corporation or of a subsidiary of the Corporation. However, in the event of death, all Restricted Shares shall vest and as a result the deceased participant will not forfeit any Restricted Shares.

The Restricted Share Plan requires shareholder approval for the following amendments:

- to increase the maximum number of Restricted Shares issuable pursuant to the Restricted Share Plan;
- to extend the term of a Restricted Share;
- to permit the assignment or transfer of a Restricted Share other than as provided for in the Restricted Share Plan;
- to make any change to eligible participants which would have the effect of broadening the categories of persons eligible to participate in the Restricted Share Plan;
- to increase the maximum limit on the number of securities that may be issued to insiders;
- to amend the amendment or discontinuance provisions of the Restricted Share Plan; and
- in any other circumstance where TSX and shareholder approval is required by the TSX.

The Compensation Committee, subject to the prior approval of the Board of Directors, may approve amendments relating to the Restricted Share Plan without further approval of the shareholders, to the extent that such amendments relate to, without limitation:

- correct any defect or supply any omission or reconcile any inconsistency in the Restricted Share Plan;
- altering, extending or accelerating the terms and conditions of vesting of any Restricted Shares;
- amending the definitions contained within the Restricted Share Plan;
- amending or modifying the mechanics of granting of Restricted Shares;
- amendments of a "housekeeping" nature;
- to the extent deemed necessary or desirable, establishing, amending and rescinding any rules and regulations relating to the Restricted Share Plan; or
- making such determinations as deemed necessary or desirable for the administration of the Restricted Share Plan.

The Corporation's Restricted Shares generally have a three-year vesting period. Restricted Shares granted to Mr. Vaughn have a four-year vesting period, subject to Board approval after meeting performance metrics determined by the Board of Directors in consultation with Mr. Vaughn. Restricted Shares generally have a one year vesting period for Directors, which is consistent with their term.

The Restricted Share agreements include provisions for the acceleration of vesting upon the permanent disability or death of the participant and upon a change in control. In addition, they provide that unvested Restricted Shares are forfeited on the last day of employment or engagement with the Corporation.

We believe that Restricted Shares are a motivational tool encouraging the NEOs (and other executives/employees) to undertake actions to improve shareholder value.

### *Retirement Savings Assistance*

In order to encourage retirement savings, we have implemented programs to assist employees with retirement savings. In Canada, this objective is accomplished through an RRSP-matching plan, in the United States this objective is accomplished through a 401(k) plan, and in Australia this is accomplished through mandated superannuation contributions. We believe that this element of the compensation program contributes to make our overall program more competitive in the marketplace and supports the attraction and retention of high quality executives and employees.

Under the programs, in Canada and the United States, we will fully match employee contributions up to 4% of the salary each pay period, In Australia, the current legislated superannuation contribution is 9.5% of base salary and Incentive Plan payments.

Under certain circumstances, we may suspend the Canadian and United States retirement savings programs. Matching contributions were not suspended for any pay periods in 2016, 2017 and 2018.

### *Compensation Determination Process*

In developing our compensation program, management and the Compensation Committee have considered a variety of inputs in attempting to achieve competitive compensation packages that provide an appropriate balance between shorter-term cash compensation and longer-term equity compensation, and to properly reflect the performance and level of responsibility of the NEOs and other executive officers. In establishing the compensation for the NEOs, certain factors that have been considered include, but are not limited to, the following:

- the NEO's current total compensation;
- the NEO's individual performance;
- the qualifications of the NEO and potential for development and performance in the future;
- the strategic and operational responsibilities for which the NEO has responsibility;
- compensation levels of comparable positions at companies in our broad public technology industry category;
- cost of living changes, industry and market-performance data, and competitive compensation information received from consulting firms and professional organizations; and
- compensation of each of the NEOs relative to that of our other executive officers.

### *Base Salary*

In 2016, we engaged PayScale to assist us with a detailed market evaluation of all positions in the Corporation for appropriate placement and potential career progressions for employees. Search criteria for market data included:

- Company Size
- Public Listing
- Company Industry
- Position Location

Market adjustments were made to correct and/or are being corrected where employees were identified to be below their pay band under the market evaluation. Ongoing informal reviews of market changes are completed regularly for retention and career progression.

### *Incentive Plan*

For 2018, as described earlier, corporate performance targets were established based on profitability before incentive payments. No payments were made under the Corporation's Incentive Plan in the year ended December 31, 2018 as the Corporation's targeted EBITDA was not achieved.

### Options

In prior years, management and the Compensation Committee have viewed Option awards as a critical element of the compensation program for the NEOs, other executives and key employees. The number of Options awarded to a particular NEO or officer is subject to adjustment depending upon consideration of a number of factors, including the performance of the NEO or other executive for the particular year. Previous grants of option-based awards are not generally considered when evaluating new grants. Special Option grants have historically been awarded in certain circumstances to reward performance related to specific projects and activities or to achieve other objectives including retention.

At March 29, 2019, the CEO held 3,040,327 Options representing 2.56% of the outstanding Common Shares on such date.

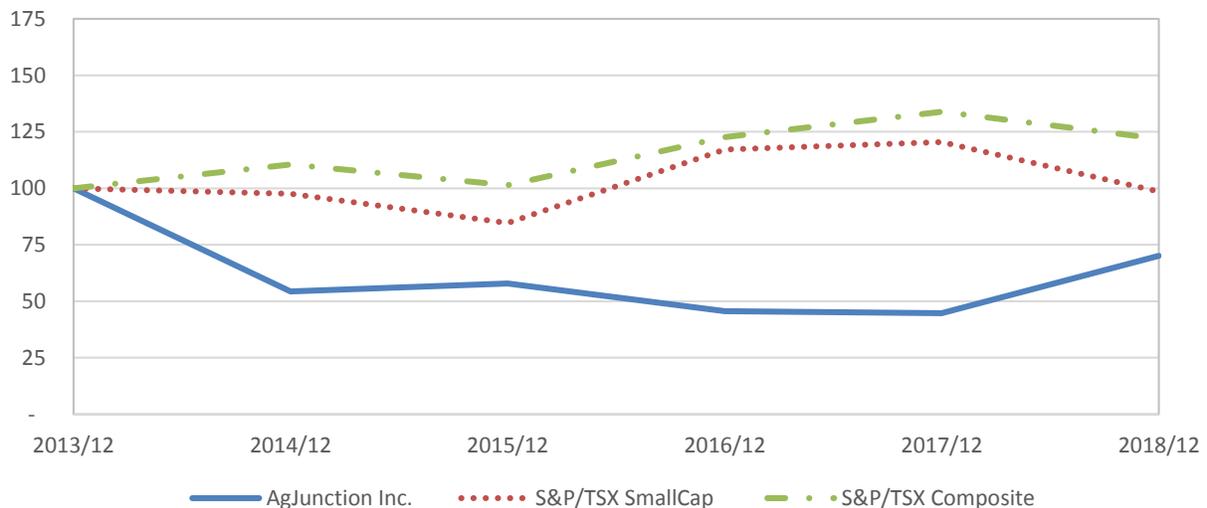
### Restricted Shares

Due to certain tax disadvantages of Options, going forward, management and the Compensation Committee have viewed and continue to view Restricted Shares as a critical element of the compensation program for NEOs, other executives and key employees residing in the U.S. The number of Restricted Shares awarded to a particular NEO or officer is subject to adjustment depending upon consideration of a number of factors, including the performance of the NEO or other executive for the particular year. Previous grants of share-based awards are not generally considered when evaluating new grants. Special Restricted Share grants are also awarded occasionally to reward performance related to specific projects and activities or to achieve other objectives including retention.

At March 29, 2019, the CEO held 819,332 Restricted Shares representing 0.69% of the outstanding Common Shares on such date. Such Restricted Shares were granted in accordance with Mr. Vaughn's employment agreement.

### Performance Graph

The following graph illustrates our five year cumulative shareholder return, as measured by the closing price of our Common Shares at the end of each financial year, assuming an initial investment of \$100 on December 31, 2013, compared to the S&P/TSX Composite Index and the S&P/TSX Canadian SmallCap Index, assuming the reinvestment of dividends where applicable.



	2013/12	2014/12	2015/12	2016/12	2017/12	2018/12
AgJunction Inc.	100	54	58	46	45	70
S&P/TSX Composite Index <sup>(1)</sup>	100	111	101	123	134	122
S&P/TSX SmallCap Index <sup>(1)</sup>	100	98	85	117	120	99

Note:

(1) Total Return Index.

As described in previous sections, the compensation for NEOs is determined by corporate performance.

The base salary and non-equity incentive elements of compensation were designed to motivate and reward Corporation performance for objectives designed to increase the Corporation's share price in the mid to long term. The primary factor determining payout under our Incentive Plan in 2016, 2017 and 2018 was profitability. In 2016, 2017 and 2018 the Corporation's performance goals were not achieved, and as a result, there were no Incentive Plan payments awarded to the NEOs for those years. A limited number of discretionary cash bonuses were paid in 2019 for 2018 performance.

It is our objective to focus executive compensation on factors that build long term growth in the value of AgJunction such as revenue generation, profitability and initiatives that enhance our ability to grow profitably. While we believe that these factors should cause our share price to grow in the long term, they will not necessarily result in a consistent trend in annual non-equity executive compensation versus our share price – as that trend has a much shorter term focus.

### Summary Compensation Table

The following table sets forth for the years ended December 31, 2018, 2017 and 2016 information concerning the compensation paid to the NEOs. Amounts reported in this Information Circular are in United States dollars ("US dollars") as this is the reporting currency used in our consolidated financial statements. All NEOs were remunerated in US dollars in 2018. Unless otherwise stated, each element of compensation described in this Information Circular has been paid in US dollars or is converted to US dollars using the Bank of Canada daily exchange rates on December 31, 2018, December 29, 2017 and December 30, 2016. For 2018, 2017 and 2016, the exchange rates applied from Canadian dollars to US dollars were \$1.3642, \$1.2545 and \$1.3427, respectively.

Name and principal position	Year	Salary <sup>(1)</sup> (\$)	Share-based awards <sup>(2)</sup> (\$)	Option-based awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(5)</sup> (\$)	Total compensation (\$)
					Annual incentive plans <sup>(4)</sup>	Long-term incentive plans			
David Vaughn President and Chief Executive Officer	2018	300,000	150,000	-	-	-	-	-	450,000
	2017	300,000	-	-	-	-	-	-	300,000
	2016	300,000	-	-	-	-	-	-	300,000
Michael Manning <sup>(6)</sup> Senior Vice President and Chief Financial Officer	2018	230,000	115,000	-	35,000	-	-	21,680	401,680
	2017	230,000	-	-	25,512	-	-	21,680	277,192
	2016	266,437	33,057	52,505	50,000	-	-	15,050	417,049
Doug Marinaro <sup>(7)</sup> Vice President Strategy	2018	240,000	109,713	-	70,500	-	-	-	420,213
	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
M. Brett McMickell <sup>(8)</sup> Senior Vice President of Global Product Development	2018	230,000	115,000	-	35,000	-	-	10,345	390,345
	2017	230,000	48,617	68,526	40,685	-	-	1,067	387,934
	2016	-	-	-	-	-	-	-	-
Mark Bittner <sup>(9)</sup> Senior Vice President Global Sales and Customer Care	2018	240,000	120,000	-	-	-	-	29,568	389,568
	2017	240,000	-	-	30,000	-	-	29,568	299,568
	2016	240,000	104,268	77,758	60,000	-	-	32,160	514,186

## Notes:

- (1) Base salaries for the NEOs at December 31, 2018 are as follows: David Vaughn \$300,000 (2017: \$300,000); Michael Manning \$230,000 (2017: \$230,000); Doug Marinaro \$240,000 (2017: \$240,000, Mr. Marinaro's hire date was December 29, 2017); M. Brett McMickell \$230,000 (2017: \$230,000, Mr. McMickell's hire date was August 14, 2017); and Mark Bittner \$240,000 (2017: \$240,000).
- (2) Share-based awards represent Restricted Shares. In 2017, Restricted Shares were granted to Mr. McMickell per his employment agreement. In 2018, Restricted Shares were granted to Mr. Marinaro per his employment agreement. On April 16, 2018, Messrs. Vaughn, Manning, McMickell and Bittner were granted Restricted Shares. AgJunction uses the Black-Scholes method for calculating the fair market value of Restricted Shares based on the following weighted average assumptions for 2016: time to expiry of 1 year, closing Common Share price ranging from CDN\$0.53 to CDN\$0.70, interest rate using the average yield of marketable bonds from Bank of Canada website ranging from 0.63% to 0.69% and volatility ranging from 0.6326% to 0.6421%; for 2017: time to expiry of 1 year, closing Common Share price CDN\$0.51, interest rate using the average yield of marketable bonds from Bank of Canada website of 1.27% and volatility at 0.5333%; and for 2018: time to expiry of 1 year, closing Common Share price ranging from CDN\$0.72 to CDN\$0.90, interest rate using the average yield of marketable bonds from Bank of Canada website ranging from 1.74% to 1.79% and volatility ranging from 0.5641% to 0.5658%.
- (3) Options granted to NEOs are valued based on the grant date fair value of the applicable Option grant. Fair value is determined in a manner consistent with that used in preparing the Corporation's consolidated financial statements. This approach uses the Black-Scholes option pricing model with the following weighted average assumptions for 2017: zero dividend yield; weighted average volatility of 0.5486; risk free interest rate of 1.5%; a pre-vest forfeiture rate of 12.4% and expected stock option life of 3 years. For 2016: zero dividend yield; weighted average volatility ranging from 0.4908% to 0.5566%; risk-free interest rate ranging from 0.63% to 0.80%; a pre-vest forfeiture rate of 12.4% and expected stock option life of 3 years. Fair values have been calculated in Canadian dollars and converted to US dollars based on the Bank of Canada daily exchange rates on December 30, 2016 \$1.3427.
- (4) No payments were made to NEOs under the Corporation's Incentive Plan for the years 2016, 2017 and 2018 as the targeted EBITDA was not achieved.
- (5) Other compensation includes retirement savings assistance, fitness membership reimbursements and car allowance.
- (6) On March 28, 2016, the Corporation announced that Mr. Manning was appointed Senior Vice President and Chief Financial Officer effective April 1, 2016. For a portion of 2016, Mr. Manning was employed through Tarsus CFO Services, LLC ("Tarsus") as a contractor through March 31, 2016 and paid \$140 per hour. For 2016, salary includes fees paid to Tarsus for Mr. Manning's services for the period January 2016 to March 2016 in the amount of \$93,937. Included in All Other Compensation for Mr. Manning for 2016 includes automobile allowance of \$9,000 and 401(k) matching employer contribution of \$6,050. Included in Annual Incentive Plans for 2016, 2017 and 2018 for Mr. Manning are discretionary cash bonuses of \$50,000, \$25,512 and \$35,000, respectively. Included in all other compensation for Mr. Manning for 2018 were an automobile allowance of \$12,000 (2017: \$12,000) and 401(k) matching employer contribution of \$9,680 (2017: \$9,680).
- (7) Effective December 29, 2017, Mr. Marinaro was appointed the Vice President Strategy of AgJunction with an annual salary of \$240,000. Included in Annual Incentive Plans for Mr. Marinaro for 2018 was a discretionary cash bonus of \$70,500.
- (8) Effective August 14, 2017, Mr. McMickell was appointed Senior Vice President Global Product Development of AgJunction with an annual salary of \$230,000. Included in Annual Incentive Plans for 2017 and 2018 includes discretionary cash bonuses of \$40,685 and \$35,000, respectively. Included in all other compensation for Mr. McMickell for 2018 were 401(k) matching employer contributions of \$10,045 (2017: \$767) and fitness reimbursements of \$300 (2017: \$300).
- (9) Included in Annual Incentive Plans for 2016 and 2017 for Mr. Bittner was a discretionary cash bonus of \$60,000 and \$30,000, respectively. Included in all other compensation for Mr. Bittner for 2018 were an automobile allowance of \$19,200 (2017: \$19,200; 2016: \$19,200) and 401(k) matching employer contribution of \$10,368 (2017: \$10,368; 2016: \$12,960).

## Incentive Plan Awards

Details relating to our equity and non-equity incentive plans have been included in the Compensation Discussion and Analysis section of this Information Circular.

## Outstanding Share-based Awards and Option-based Awards

The following table sets forth for each NEO all option-based awards and share-based awards outstanding at the end of the year ended December 31, 2018.

Name	Option-based Awards				Share-based Awards <sup>(3)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested <sup>(4)</sup> (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
David Vaughn	3,040,327	\$0.44	19-Oct-19	456,049	819,332	483,406	-
Michael Manning	300,000	\$0.43	26-May-20	48,000	211,972	125,063	-
Doug Marinaro	-	-	-	-	300,000	177,000	-
M. Brett McMickell	400,000	\$0.37	5-Sept-22	88,000	261,972	154,563	-
Mark Bittner	400,000	\$0.51	18-Jan -21	32,000	269,014	158,718	-

Notes:

- (1) Exercise prices and trading prices have been converted to U.S. dollars at the Bank of Canada daily exchange rate on December 29, 2018 of \$1.3642.
- (2) Calculated based on the difference between the closing price of the Common Shares on December 31, 2018 (USD\$0.59) and the exercise price of the Options. This value is based on all vested and unvested Options.
- (3) Share-based awards are Restricted Shares.
- (4) Calculated by multiplying the number of Restricted Shares that have not vested as at December 31, 2018 by the market price of the Common Shares at December 31, 2018 (USD\$0.59). The value is converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 at \$1.3642.

## Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each NEO, the value of option-based awards and share-based awards which vested during the year ended December 31, 2018 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2018.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year <sup>(2)</sup> (\$)	Non-equity incentive plan compensation – Value earned during the year <sup>(3)</sup> (\$)
David Vaughn	200,054	240,186	-
Michael Manning	16,559	22,500	35,000
Doug Marinaro	-	-	70,500
M. Brett McMickell	27,166	44,500	35,000
Mark Bittner	11,832	26,000	-

Notes:

- (1) Calculated based on the difference between the closing price of the Corporation's Common Shares and the exercise price of the Options as of the vesting date. As the Corporation's share price is quoted in Canadian dollars, the value is calculated in Canadian dollars and converted to U.S. dollars based on the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (2) Calculated based on multiplying the market price of the Common Shares on the vesting date by the number of vested Restricted Shares. The value is converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642. The Restricted Shares issued to Mr. Vaughn in accordance with his employment agreement have a four-year vesting schedule.
- (3) Reflects discretionary bonuses granted for the year ended December 31, 2018.

**Pension Plan Benefits**

We do not have a pension plan for our NEOs or other employees.

**Termination and Change of Control Arrangements*****Termination***

The Corporation has entered into executive employment agreements with David Vaughn, Michael Manning, Doug Marinaro, M. Brett McMickell, and Mark Bittner (the "**Employment Agreements**").

Under Mr. Vaughn's employment agreement, he is entitled six months COBRA coverage and a retiring allowance of 12 months of his annual base salary.

Messrs. Manning's, Marinaro's and McMickell's employment agreements provide each with six months of his annual base salary and the extension of group medical benefits (to the extent permitted by our benefit carrier) for six months.

Mr. Bittner's employment agreement provides six months of his annual base salary payable at the same time as regular payroll and six months COBRA coverage. Payments cease should Mr. Bittner obtain other employment prior to the end of the six month period.

The employment agreements for all NEOs include payment of accrued unused vacation balances.

Following termination, vested Options held by the NEOs on the termination date can be exercised for 30 days, any vested Incentive Awards remaining unpaid shall be paid following the termination date and any vested Restricted Shares that have not been delivered to the participant will be delivered to such person following the termination date.

***Change in Control***

For all NEOs, upon a change of control: (a) Options that are not vested will immediately vest and become exercisable upon a change of control event until the Options expire in accordance with their terms; and (b) all issued and outstanding Restricted Shares shall vest and the vesting date for such Restricted Shares will be the date immediately prior to the time such change of control takes place.

The following table contains the estimated incremental payments, payables and benefits that would arise assuming a termination date of December 31, 2018, pursuant to the terms and conditions of the executive employment agreements only.

Name	Event	Cash Payments <sup>(1)</sup> (\$)	Value of Equity and Share-based awards <sup>(2)</sup> (\$)	Total (\$)
David Vaughn	Termination with cause	-	-	-
	Termination without cause	326,740	940,008	1,266,748
	<b>Change of Control with:</b> Constructive dismissal	326,740	940,008	1,266,748
Michael Manning	Termination with cause	-	-	-
	Termination without cause	150,180	172,317	322,497
	<b>Change of Control with:</b> Constructive dismissal	150,180	172,317	322,497
Doug Marinaro	Termination with cause	-	-	-
	Termination without cause	139,220	177,000	316,220
	<b>Change of Control with:</b> Constructive dismissal	139,220	177,000	316,220
M. Brett McMickell	Termination with cause	-	-	-
	Termination without cause	134,235	70,053	204,288
	<b>Change of Control with:</b> Constructive dismissal	134,235	70,053	204,288
Mark Bittner	Termination with cause	-	-	-
	Termination without cause	154,380	189,470	344,120
	<b>Change of Control with:</b> Constructive dismissal	154,380	189,470	344,120

## Notes:

- (1) This table includes only the incremental amounts payable including accrued vacation upon termination on December 31, 2018 and change of control that are payable by contract with the NEOs.
- (2) The value of Options that vest upon change of control are calculated as the difference between the closing price of the Corporation's Common Shares on December 31, 2018 (USD\$0.59) and the exercise price of the Options. The Restricted Share calculations are based on multiplying the market value of the Common Shares at December 31, 2018 of USD\$0.59 by the number of Restricted Shares that vested. These values are converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.

**Director Compensation*****Directors' Summary Compensation Table***

The following table sets forth for the year ended December 31, 2018, information concerning the compensation paid to our Directors other than Directors who are also NEOs.

Name	Fees earned (\$) <sup>(1)</sup>	Share-based awards <sup>(2)</sup> (\$)	Option-based awards (\$) <sup>(3)</sup>	Non-equity incentive plan compensation (\$)	All other compensation (\$)	Total (\$)
Scott B. Edmonds	30,746	29,321	-	-	-	60,067
Lori S. Ell	38,542	38,484	-	-	-	77,026
Jonathan W. Ladd <sup>(4)</sup>	25,155	26,878	-	-	91,570	143,603
Ryan J. Levenson	-	58,642	-	-	-	58,642
Jose F. Suarez <sup>(5)</sup>	-	-	-	-	-	-

## Notes:

- (1) Fees paid to Canadian Directors were paid in Canadian dollars and converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (2) Share-based awards for 2018 represent Restricted Shares. AgJunction uses the Black-Scholes method for calculating the fair market value of Restricted Shares valuation is based the following weighted average assumptions for 2018: time to expiry of 1 year, closing Common Share price of CDN\$0.90, interest rate using the average yield of marketable bonds from Bank of Canada website of rate of 1.79% and volatility 0.5050.
- (3) There were no Options granted to Directors in 2018. Options are valued based on the grant date fair value of the applicable Option grant. Fair value is determined in a manner consistent with that used in preparing the Corporation's consolidated financial statements. This approach uses the Black-Scholes option pricing model.
- (4) Mr. Ladd is compensated as Senior Strategic Advisor to the CEO at an hourly rate of \$140 plus expenses. In addition, Mr. Ladd received 50,228 Restricted Shares for board compensation.
- (5) Mr. Suarez waives compensation from AgJunction for his services as a Director.

Directors who are also executive officers of AgJunction do not receive compensation for acting in their capacities as Directors. Directors who are not executive officers receive compensation for serving in their capacity as such as determined by the Compensation Committee. The key elements of the compensation of Directors in 2018 were as follows:

- Directors fees – CDN\$65,000, at least 50% in equity (Restricted Shares) with the balance payable in cash per year for each director.
- Committee Retainer - CDN\$5,000 per Committee, at least 50% in equity (Restricted Shares) with the balance payable in cash per year.
- Chair retainers are paid as follows, at least 50% in equity (Restricted Shares) with the balance payable in cash per year:
  - Chair of the Board – CDN\$25,000 per year;
  - Audit Committee Chair – CDN\$10,000 per year;
  - Compensation Committee Chair – CDN\$5,000 per year; and
  - Corporate Governance Committee Chair – CDN\$5,000 per year.

In 2019, any Director compensation payable in cash will be converted into US dollars.

#### *Directors' Outstanding Option-Based Awards and Share-Based Awards*

The following table sets forth for each of our Directors, other than Directors who are also NEOs, all option-based awards and share-based awards outstanding at the end of the year ended December 31, 2018.

Name	Option-based Awards				Share-based Awards <sup>(3)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(4)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$) <sup>(5)</sup>
Scott B. Edmonds	177,283 62,610	0.37 0.39	Sept 27, 2022 Dec 7, 2021	39,002 12,522	54,795	32,329	-
Lori S. Ell	226,121 62,610	0.37 0.39	Sept 27, 2022 Dec 7, 2021	49,747 12,522	71,918	42,432	-
Jonathan W. Ladd	800,000	0.51	Jan 18, 2021	64,000	50,228	29,635	-
Ryan J. Levenson	298,803	0.37	Sept 27, 2022	65,737	109,589	64,658	-
Jose F. Suarez <sup>(6)</sup>	-	-	-	-	-	-	-

Notes:

- (1) Exercise prices and trading prices have been converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (2) Calculated based on the difference between the closing price of the Corporation's Common Shares on December 31, 2018 (USD\$0.59) and the exercise price of the Options. This value is calculated based on all vested and unvested Options.
- (3) Share-based awards are Restricted Shares.
- (4) Calculated by multiplying the number of Restricted Shares that have not vested as at December 31, 2018 by the market price of the Common Shares at December 31, 2018 (USD\$0.59). The value is converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (5) There were no undistributed vested Restricted Shares as at December 31, 2018
- (6) Mr. Suarez waives compensation from AgJunction for his services as a Director.

### ***Directors' Incentive Plan Awards – Value Vested or Earned During the Year***

The following table sets forth for each of our Directors, other than Directors who are also NEOs, the value of option-based awards and share-based awards which vested during the year ended December 31, 2018 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2018.

<b>Name</b>	<b>Option-based awards – Value vested during the year<sup>(1)</sup></b> <b>(\$)</b>	<b>Share-based awards – Value vested during the year<sup>(2)</sup></b> <b>(\$)</b>
Scott B. Edmonds	4,799	-
Lori S. Ell	6,299	-
Jonathan W. Ladd	17,348	74,815
Ryan J. Levenson	8,323	-
Jose Suarez <sup>(3)</sup>	-	-

Notes:

- (1) Calculated based on the difference between the closing price of the Corporation's Common Shares on the vesting date and the exercise price of the Options on the vesting date. As the Corporation's share price is quoted in Canadian dollars, the value is calculated in Canadian dollars and converted to U.S. dollars based on the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (2) Calculated based on multiplying the market price of the Common Shares on the vesting date by the number of vested Restricted Shares. The value is converted to U.S. dollars at the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (3) Mr. Suarez waives compensation from AgJunction for his services as a Director.
- (4) The Corporation does not have any non-equity incentive plan for Directors.

### **Securities Authorized for Issuance Under Equity Compensation Plans**

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at December 31, 2018.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights<sup>(2)</sup></b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(1)</sup></b> <b>(c)</b>
Equity compensation plans approved by securityholders			
Share Option Plan	7,312,754	\$0.62	8,168,297 (6.86%)
Restricted Share Plan	3,525,127	\$0.00	11,955,924 (9.04%)
Equity compensation plans not approved by securityholders	-	-	-
<b>Total</b>	<b>10,837,881</b>	<b>-</b>	<b>4,643,170<sup>(3)</sup></b>

Notes:

- (1) Each of the Share Option Plan and the Restricted Share Plan have a rolling maximum/evergreen limit for the issuance of Options, Restricted Shares and all other securities under the Corporation's equity compensation plans of up to 13% of the outstanding Common Shares from time to time. As at December 31, 2018, 7,312,754 Options were outstanding representing 6.14% of the outstanding number of Common Shares. As at December 31, 2018, 3,525,127 Restricted Shares were outstanding representing 2.96% of the outstanding number of Common Shares.
- (2) Exercise prices were converted from Canadian dollars to US dollars using the Bank of Canada daily exchange rate on December 31, 2018 of \$1.3642.
- (3) This number represents the total number of securities remaining available for future issuances under the Share Option Plan and Restricted Share Plan. "Executive Compensation – Compensation Discussion and Analysis – Compensation Elements".

### Annual Burn Rate under Equity Compensation Plans

The following sets forth information in respect of the number of Options granted under the Share Option Plan and the number of Restricted Shares granted under the Restricted Share Plan in the applicable year relative to the weighted average number of Common Shares outstanding in such year.

Plan Category	Year	Number of Options or Restricted Shares granted or issued during the applicable year (a)	Weighted average number of Common Shares outstanding for the applicable fiscal year (b)	Burn Rate ((a)/(b)) (c)
Share Option Plan	2018	0	118,660,873	0.00%
	2017	1,847,207	120,448,142	1.53%
	2016	3,337,951	123,773,363	2.70%
Restricted Share Plan	2018	2,400,914	118,660,873	0.20%
	2017	812,314	120,448,142	0.67%
	2016	1,160,762	123,773,363	0.94%

### INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the Directors, executive officers, employees, or former directors, officers or employees of AgJunction nor any of its associates or affiliates is now or has been indebted to AgJunction or any of its subsidiaries since the commencement of the last completed fiscal year, nor is, or at any time since the beginning of the most recently completed financial year has, any indebtedness of any such person been subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by AgJunction or any of its subsidiaries.

### INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON AT THE MEETING

AgJunction is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer since the beginning of the most recently completed financial year or nominee for director of AgJunction, or of any associate or affiliate of the foregoing, in respect of any matter to be acted on at the Meeting, other than the election of directors and appointment of auditors.

### INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

AgJunction is not aware of any interest, direct or indirect, of any Informed Person (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of AgJunction, any proposed director of AgJunction, or any associate or affiliate of any Informed Person or proposed director, in any transaction since January 1, 2017, or any proposed transaction which has materially affected or would materially affect AgJunction.

### OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice. However, if any other matter properly comes before the Meeting, the accompanying Instrument of Proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the Instrument of Proxy.

### ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in our comparative annual financial statements and management discussion and analysis for our most recently completed financial year. We will provide, without charge to a security holder, a copy of AgJunction's latest annual information form, the 2018 annual report to shareholders containing comparative annual consolidated financial statements for the years ended December 31, 2018 and 2017 together with the auditors' report thereon and management's discussion and analysis, interim financial statements for subsequent periods, and this Information

Circular upon request to the Chief Financial Officer, 9105 E Del Camino Dr #115, Scottsdale, AZ 85258. If you wish, this information may also be accessed on AgJunction's website ([www.agjunction.com](http://www.agjunction.com)) or on SEDAR at [www.sedar.com](http://www.sedar.com).

### **CORPORATE GOVERNANCE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires reporting issuers to disclose their corporate governance practices with reference to a series of guidelines for effective corporate governance (the "**Corporate Governance Guidelines**") set forth in National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**").

Set out in Schedule A is a description of AgJunction's corporate governance practices.

## SCHEDULE A

### CORPORATE GOVERNANCE DISCLOSURE

Corporate governance disclosures are required by National Instrument 58-101 to be included in this Information Circular.

#### Board of Directors

**Disclose the identity of directors who are independent.**

Scott B. Edmonds, Lori S. Ell, Ryan J. Levenson and Jose F. Suarez are independent within the meaning of NI 58-101. These Directors are not a part of the AgJunction management and do not have any direct or indirect material relationship with the Corporation which could or could reasonably be expected to interfere with the exercise of the Directors' independent judgement.

**Disclose the identity of directors who are not independent, and describe the basis for that determination.**

David E. Vaughn is the President and Chief Executive Officer of the Corporation and therefore is not an independent Director.

Jonathan W. Ladd is the Senior Strategic Advisor and therefore is not an independent Director.

**Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board of Directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.**

A majority of the Directors are currently independent.

**If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.**

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>
Ryan J. Levenson	Great Lakes Dredge and Dock Corp. Hardinge, Inc.

**Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.**

The Board has a standing or regular agenda item in all Board meetings where the: (a) Directors meet alone, apart from the management of the Corporation; and (b) independent Directors meet alone.

**Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.**

The chair of the Board, Lori S. Ell (the "**Chair**"), who is an independent Director within the meaning of NI 58-101. The Board has established a position description for the Chair that provides the following role and responsibilities:

- The Chair shall, when present, preside at all meetings of the Board and, unless otherwise determined by the Directors, at all meetings of shareholders.
- The Chair shall endeavour to provide overall leadership to the Board without limiting the principle of collective responsibility and the ability of the Board to function as a unit.
- To the extent that it is reasonably practicable, the Chair will provide advice, counsel and mentorship to the CEO, committee chairs, and fellow Directors.
- The Chair shall be responsible to ensure that Board meetings function satisfactorily and that the tasks of the Board are handled in the most reasonable fashion under the circumstances. In this connection, it is recommended that the Chair attempt to ensure that the individual Director's particular knowledge and competence are used in the best possible manner for the Board for the benefit of the Corporation. The Chair shall endeavour to encourage full participation and discussion by individual Directors, stimulate debate, facilitate consensus and ensure that clarity regarding decisions is reached and duly recorded.
- The Chair shall endeavour to ensure that the Board's deliberations take place when all of the Directors are present and, to the extent that is reasonably practicable, to ensure that all essential decisions are made when all of the Directors are present.
- The Chair shall encourage Board members to ask questions and express viewpoints during meetings.
- The Chair shall deal effectively with dissent and work constructively towards arriving at decisions and achieving consensus.
- The Chair shall endeavour to ensure that the independent members of the Board meet in separate, regularly scheduled, non-management closed sessions with internal personnel or outside advisors, as needed or appropriate.
- The Chair shall endeavour to establish a line of communication with the CEO of the Corporation to ensure that Board meetings can be scheduled to deal with important business that arises outside of the regular quarterly meetings.
- The Chair shall endeavour to fulfill his or her Board leadership responsibilities in a manner that will ensure that the Board is able to function independently of management. The Chair shall consider, and provide for meetings of all of the independent Directors without management being present. The Chair shall endeavour to ensure reasonable procedures are in place to allow for Directors to engage outside advisors at the expense of the Corporation in appropriate circumstances, subject to the approval of the Corporate Governance Committee.
- The Chair shall endeavour to ensure that the Board meets at least four times annually and as many additional times as necessary to carry out its duties effectively and shall endeavour to ensure that the shareholders meet at least once annually and as many additional times as required by law.
- With respect to meetings of Directors or shareholders, it is the duty of the Chair to enforce the Rules of Order. These duties include:
  - ensuring that the meeting is duly constituted;
  - ensure the meeting provides for reasonable accommodation;
  - confirming the admissibility of all persons at the meeting;
  - preserving order and the control of the meeting;
  - in respect of shareholders' meetings, appointing scrutineers if requested and instruct them in their duties;
  - rule on the validity of proxies;
  - to ascertain the sense of the meeting by a vote on all questions properly brought before the meeting;
- The Chair shall liaise with the Corporate Secretary of the Corporation to ensure that a proper notice and agenda has been disseminated, and that appropriate accommodations have been made for all Board and shareholder meetings and shall also liaise with the committee chairs, other Directors, the CEO and outside advisors, as appropriate, to establish the agenda for each Board meeting.
- The Chair shall also endeavour to:
  - ensure that the boundaries between the Board and management responsibilities are clearly understood and respected and that relationships between the Board and management are conducted in a professional and constructive manner;
  - facilitate effective communication between Directors and management, both inside and outside of Board meetings;
  - actively participate and oversee the administration of the annual evaluation of performance and effectiveness of the Board, Board committees, all individual Directors, committee chairs (other than the Board chair or any committee upon which the Board sits as the chair) and CEO;
  - when appropriate, assist Directors in their transition from the Board, and to support the orientation of new Directors and the continuing education of current Directors; and

- to ensure that an annual performance evaluation of the Board chair (and any committee upon which the Board sits as the chair) is conducted, soliciting input from all Directors and appropriate members of management and to carry out any other appropriate duties and responsibilities as may be assigned by the Board from time to time.

**Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.**

	<b>Board Meetings</b>	<b>Audit Committee Meetings</b>	<b>Compensation Committee Meetings</b>	<b>Corporate Governance Committee Meetings</b>
Scott B. Edmonds	100% (6/6)	100% (4/4)	N/A	100% (3/3)
Lori S. Ell	100% (6/6)	100% (4/4)	50% (1/2)	100% (3/3)
Jonathan W. Ladd	100% (6/6)	N/A	N/A	N/A
Ryan J. Levenson	100% (6/6)	75% (3/4)	100% (2/2)	N/A
Jose Suarez	100% (6/6)	N/A	100% (2/2)	100% (3/3)
David E. Vaughn	100% (6/6)	N/A	N/A	N/A

**Board Mandate – Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.**

The Mandate of the Board is attached to this Information Circular as Schedule B.

#### **Position Descriptions**

**Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.**

The Board has developed a position description for the Chair and the chair of each Board Committee. The Board has also developed specific Mandates for each of its standing committees ("**Mandates**"). The Mandates describe the functions and responsibilities of the committees and by inference their chairs' roles. The Mandates for the Audit Committee, Compensation Committee and Corporate Governance Committee are attached to this Information Circular as Schedule C, Schedule D and Schedule E, respectively.

**Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.**

The Board and the CEO have developed a written position description for the CEO.

#### **Orientation and Continuing Education**

**Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.**

The Corporate Governance Committee, by its terms of reference (as attached as Schedule E to this Information Circular) is responsible to develop an orientation and education program for new recruits to the Board. The committee assesses new Directors' knowledge of the Corporation's business (products, industries, technologies, competition, etc.), identifies areas where more information is necessary, and provides that information through reference materials, meetings with staff, and through other means. In addition, the Corporate Governance Committee provides new Directors with copies of the Board's mandate, the standing committees' Terms of Reference, and other documentation.

**Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.**

Board members pursue continuing education opportunities as considered appropriate by the particular Board member. In order to ensure that the Board remains knowledgeable about relevant technologies and industries, Board members receive regular technical or other relevant presentations as part of Board meetings and otherwise as considered necessary, and tour AgJunction's facilities.

### **Ethical Business Conduct**

**Disclose whether or not the board has adopted a written code for the directors, officers and employees.**

The Board has adopted a written Code of Conduct ("Code") for all Directors, officers and employees.

**If the board has adopted a written code:**

**(i) Disclose how a person or company may obtain a copy of the code**

The Code is posted on AgJunction's internal intranet website (Sharepoint), and has been filed on the System for Electronic Document Analysis and Retrieval (SEDAR).

**(ii) Describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code**

All AgJunction Directors, officers and employees annually sign a form saying they are in compliance with the Code. The Code includes specific procedures for anyone wanting to report a perceived violation of the Code. The Code includes specific procedures for anyone wanting to report a perceived violation of the Code. In addition, the Corporation has procedures in place that are available to all employees and Directors of the Corporation for the reporting of questionable accounting or auditing procedures or unethical or illegal behaviour. These procedures include access to an anonymous "whistle-blower hotline and website" (overseen by a third-party organization) that relays Code concerns directly to the Audit Committee. The Audit Committee has a standing or regular item on its meeting agendas to ensure that any submissions to the "whistle-blower hotline and website" are addressed promptly and thoroughly.

**(iii) Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.**

There were no material change reports filed pertaining to any departures from the Code.

**Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.**

Board members and executive officers are required to declare the nature and extent of any material interest in any transactions or agreements and may not vote in relation to any such matter. In certain cases an independent committee may be formed to deliberate on such matters in the absence of the interested party.

**Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.**

Due to the fact that AgJunction has a Code, an effective procedure for monitoring and enforcing the Code, a Board Mandate, a Board Chair position description, and committee Mandates, the Board sees no need at this time for additional steps.

## **Nomination of Directors**

### **Describe the process by which the board identifies new candidates for board nomination.**

The Board's Corporate Governance Committee is responsible to develop and maintain a list of potential candidates for Board membership when necessary, and to review, interview, and recommend nominees to the full Board. Other Board members and management may also provide recommendations for nominees. Nominees must possess general business management experience, together with specific experience in areas of strategic interest to AgJunction. Nominees must also be willing and able to devote the required time and energy to Board responsibilities, and to support the Corporation's mission and strategic objectives.

### **Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.**

The Board has a Corporate Governance Committee, which is responsible for nominating Directors, which is comprised of three Directors, two of the three members of the Corporate Governance Committee are independent Directors.

### **If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.**

The Board's Corporate Governance Committee, when the need for Board nominations arises, compiles and reviews a list of potential Board members and makes recommendations to the Board. See the Corporate Governance Committee's Mandate in the attached Schedule E.

## **Compensation**

### **Describe the process by which the board determines the compensation for the issuer's directors and officers.**

The Compensation Committee is responsible to review Directors' and officers' compensation, and where appropriate to make recommendations to change the compensation. To make its recommendations, the Compensation Committee takes into account, among other factors, the nature and amount of compensation paid to Directors and officers of comparable publicly traded companies and the circumstances of the Corporation. The details of such compensation are more fully described in the Executive Compensation section of this Information Circular.

### **Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.**

The Board has a Compensation Committee, which is comprised of three Directors, all of which are independent.

### **If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.**

The Compensation Committee is charged with the responsibility to oversee the approach of the Corporation to matters concerning Director, executive and employee compensation and, from time to time, to make recommendations to the Board of Directors with respect to such matters. See the Compensation Committee's Mandate in the attached Schedule D.

## Other Board Committees

**If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.**

The Board has a Corporate Governance Committee. The Committee's functions and responsibilities are outlined in the Mandates attached as Schedule E to this Information Circular.

## Assessments

**Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.**

The Corporate Governance Committee is responsible by its Mandates for periodically assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual Directors. The Committee conducts an annual review through the completion of a survey by each Director. The resulting information is summarized in confidential form with the results provided to the Chair and each Director for review.

The Board is in the process of finalizing a skills matrix which will outline the experience and background of the directors in a variety of key subject areas. This matrix will be maintained so that the Board can identify areas for strengthening the Board, if any, and address them through the recruitment of new members.

**Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.**

The Board believes that the advantages of experience and long service must be balanced with renewal and the fresh perspectives of new directors. On March 22, 2016 the Board adopted a Director Tenure Policy (the "**Tenure Policy**"). Under the Tenure Policy, the maximum period that a Director may serve on the Board is 10 years. Accordingly, a Director would not stand for re-election at the next meeting of shareholders following their tenth year of service. However, in certain circumstances and on the recommendation of the Corporate Governance Committee, the Board may recommend a Director for re-election after their maximum term if it is in the best interests of the Corporation and may provide for one (1) year extensions of up to three (3) years.

The Tenure Policy applies retroactively to the Board. In view of the retroactive nature of the Tenure Policy, the Board has implemented a transition period for Directors that have reached the maximum tenure. Pursuant to the transition period, a Director that has reached the maximum tenure could be re-elected for additional one year terms to a maximum of three (3) years if the Corporate Governance Committee and the Board so recommends.

**Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so. If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions; (ii) the measures taken to ensure that the policy has been effectively implemented; (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy; and (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.**

On December 6, 2018, the Corporation adopted a board and management diversity policy ("**Diversity Policy**"). Pursuant to the Diversity Policy, the Board nominations and executive officer appointments are made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board and management at the time. The Corporation is committed to a meritocracy and believes that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve the business objectives, without reference to their age, gender, race, ethnicity or religion, is in the

best interests of the Corporation and all of its stakeholders.

**Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.**

Pursuant to the Diversity Policy, the Corporate Governance Committee will monitor the process undertaken in connection with the selection of nominees for directors of the Corporation to ensure the positions and the skills, knowledge, experience and character of any candidates, including women and racial minority candidates, are being fairly considered relative to other candidates. The Corporate Governance Committee will also review the number of women and members of racial minorities serving on the Board, from time to time, to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of the Board.

**Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.**

Pursuant to the Diversity Policy, the Corporate Governance Committee will monitor the process undertaken in connection with the selection of candidates for executive positions in the Corporation to ensure the positions and the skills, knowledge, experience and character of any candidates, including women and racial minority candidates, are being fairly considered relative to other candidates. The Corporate Governance Committee will also review the number of women and members of racial minorities serving in management positions, from time to time, to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of management.

**(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date. (b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so. (c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so. (d) If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.**

While the Corporation recognizes the benefits of diversity and believes that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve the business objectives of the Corporation is in the best interests of the Corporation and all of its stakeholders, the Corporation does not currently have any rules or formal policies that specifically require the identification, consideration, nomination or appointment of a targeted number of female Board nominees or candidates for executive management positions. The Board encourages the consideration of women who have the necessary, skills, knowledge, experience and character for promotion or hiring into an executive officer position within the Corporation; however, the Board will not compromise the principles of a meritocracy by imposing quotas or targets.

**Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women (b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.**

AgJunction has no women on its executive management team (0%). AgJunction has one female member on its Board (16.7%).

## **SCHEDULE B**

### **AGJUNCTION INC. (the "Corporation")**

#### **BOARD OF DIRECTORS MANDATE**

The Board of Directors (the "**Board**") of the Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board will:

- A. in consultation with the chief executive officer of the Corporation (the "**CEO**"), define the principal objective(s) of the Corporation;
- B. supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation's principal objective(s) as defined by the Board;
- C. discharge the duties imposed on the Board by applicable laws and conduct its business in accordance with the Corporation's By-laws; and
- D. for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board, through discussion with the CEO and other management, will perform the following duties:

#### **Strategic Direction, Operating, Capital and Financial Plans**

- (a) require the CEO to present annually to the Board a strategic business plan for the Corporation's business, which must:
  - (i) be designed to achieve the Corporation's principal objectives,
  - (ii) identify the principal strategic and operational opportunities and risks of the Corporation's business, and
  - (iii) be approved by the Board as a pre-condition to the implementation of such plan;
- (b) review the principal risks of the Corporation's business and the steps the Corporation is undertaking to manage these risks;
- (c) approve the annual operating and capital plans;
- (d) approve issuances of additional common shares or other securities to the public;
- (e) monitor the Corporation's progress towards its goals established in the strategic, operating and capital plans, and to revise and alter its direction through management in light of changing circumstances;

#### **Management and Organization**

- (f) appoint the CEO and determine the terms of the CEO's employment with the Corporation;
- (g) in consultation with the CEO, develop a position description for the CEO;
- (h) evaluate the performance and integrity of the CEO periodically;
- (i) in consultation with the CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business;
- (j) in consultation with the CEO, appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation;
- (k) receive periodically from the CEO the CEO's evaluation of the performance of each senior officer who reports to the CEO;

- (l) develop a system under which succession to senior management positions will occur in a timely manner;
- (m) approve any proposed significant change in the management organization structure of the Corporation;
- (n) approve all retirement plans, if any, for officers and employees of the Corporation;
- (o) in consultation with the CEO, establish a communications policy for the Corporation;
- (p) generally provide advice and guidance to management;

#### **Finances and Controls**

- (q) discuss with management the Corporation's systems to manage the risks of the Corporation's business and whether such systems are appropriate in the circumstances;
- (r) consider the appropriateness of the Corporation's capital structure;
- (s) review with management the procedures and controls in place to ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis and whether such systems are appropriate in the circumstances;
- (t) in consultation with the CEO, promote a culture of integrity for the Corporation and establish the ethical standards to be observed by all officers and employees of the Corporation and a process to monitor compliance with those standards;
- (u) review with management the processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees and whether such systems are appropriate in the circumstances;
- (v) review with management the steps taken by the Corporation to maintain the integrity of internal control and information systems, including maintenance of all required records and documentation;
- (w) review and approve material contracts to be entered into by the Corporation;
- (x) recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors;
- (y) take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance;

#### **Governance**

- (z) in consultation with the Chairman of the Board, develop a position description for the Chairman of the Board;
- (aa) facilitate the continuity, effectiveness and independence of the Board by, amongst other things,
  - (i) selecting nominees for election to the Board,
  - (ii) appointing a Chairman of the Board who is not a member of management;
  - (iii) appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate,
  - (iv) defining the terms of reference of each committee of the Board,
  - (v) implementing processes to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director,
  - (vi) establishing a system to enable any director to engage an outside adviser at the expense of the Corporation;
- (bb) review periodically the adequacy and form of the compensation of directors;

#### **Health, Safety and Environment ("HSE")**

- (cc) monitor the Corporation's HSE policies and procedures and compliance with applicable regulatory requirements;

**Delegation**

- (dd) the Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board;

**Meetings**

- (ee) the Board shall meet at least four times per year and/or as deemed appropriate by the Board Chair and, unless impracticable, all board members are expected to attend all board meetings and review all board materials in advance of all meetings;
- (ff) minutes of each meeting shall be prepared;
- (gg) the Chief Executive Officer or his designate(s) may be present at all meetings of the Board;
- (hh) Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board;
- (ii) directors will formally declare any conflicts of interest to the Board, including the nature and extent of any material interest in any transactions or agreements, and except in respect of matters exempted pursuant to subsection 120(6) of the *Business Corporations Act* (Alberta), will refrain from voting in relation to such matters;
- (jj) if requested by any director, the members of the Board who are not members of the Corporation's management, will meet separately from directors who are members of management, to discuss any matters raised by the director requesting the separate meeting;
- (kk) if requested by any director, the members of the Board who do not have a material interest in a transaction or agreement, will meet separately from directors who have such a material interest, to discuss any matters raised by the director requesting the separate meeting;

**Report/Authority**

- (ll) following each meeting, the secretary of such meeting will promptly report to the Board by way of providing draft copies of the minutes of the meetings.

## SCHEDULE C

### AUDIT COMMITTEE MANDATE

1. **Establishment of Audit Committee:** The board of directors (the "Board") hereby establishes a committee to be called the Audit Committee (the "Committee").
2. **Membership:** The Committee shall be composed of three members or such greater number as the Board may from time to time determine, of whom the majority shall be "independent" directors as defined in National Instrument 52-110 – Audit Committees. Members shall be appointed periodically from among the members of the Board.
3. **Mandate:** The Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities relating to the following:
  - (a) gain reasonable assurance that risk management, Board risk oversight and internal control systems are in place and monitor their effectiveness, including those risks that could affect the reliability of financial reporting;
  - (b) the integrity of the Corporation's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
  - (c) the independence, selection, compensation, and performance of the Corporation's external auditors;
  - (d) adequate communication among the external auditors, management and the Board, including the resolution of disagreements between management and the external auditors regarding financial reporting;
  - (e) compliance with legal and regulatory requirements; and
  - (f) ensure that effective procedures are in place for the anonymous submission, receipt, retention and treatment of complaints and concerns regarding accounting, internal control and auditing matters.
4. **Authority:** The Committee has the authority to:
  - (a) conduct any investigation appropriate to fulfilling its responsibilities;
  - (b) approve, on behalf of the Board, the Corporation's quarterly financial results and related documents, including the quarterly press releases and MD&A prior to their release;
  - (c) have direct access to the external auditors as well as anyone in the organization; and
  - (d) retain, at the Corporation's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.
5. **Duties and Responsibilities:**
  - (a) Accounting Policies:
    - (i) review the appropriateness of accounting policies to ensure completeness and acceptability with IFRS as part of the approval of the financial statements;
    - (ii) review with management and the external auditor any significant changes to the Corporation's accounting policies that might be material to financial reporting prior to their adoption; and
    - (iii) review with management and the external auditor the extent to which changes or improvements in financial or accounting practices, as previously reported to the audit committee, have been implemented.
  - (b) **Financial Information and Reporting:**
    - (i) review the Corporation's annual audited financial statements and related documents,

including the press release and MD&A, prior to filing or distribution and recommend their approval by the Board. Review should include discussion with management and external auditors of significant issues regarding accounting policies, practices, and significant management estimates and judgments;

- (ii) review with financial management and the external auditors, and approve, the Corporation's quarterly financial results and related documents, including the quarterly press releases and MD&A, prior to the public release;
- (iii) review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas; and
- (iv) review issues related to liquidity, plans for treasury operations, all material off-balance-sheet transactions, contingent liabilities and transactions with related parties.

**(c) External Auditor:**

- (i) following completion of the annual audit, review separately with each of management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (ii) facilitate the resolution of any significant disagreements among management and the external auditors in connection with the preparation of the financial statements;
- (iii) the external auditors are ultimately accountable to the Committee and the Board, as representatives of the shareholders. The Committee shall be responsible for the selection, appointment, compensation, retention, termination and oversight of the external auditors and in such regard recommend to the board the nomination of the external auditor for approval by the shareholder;
- (iv) on an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Corporation that could impair the auditors' independence;
- (v) review the external auditors' audit plan - discuss and approve audit scope, staffing, locations, reliance upon management, and general audit approach;
- (vi) approve all non-audit services to be provided to the Corporation by the external auditors' firm, prior to such services being performed;
- (vii) meet regularly with the external auditors in the absence of management to determine that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee;
- (viii) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present or former auditors;
- (ix) when there is to be a change in external auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
- (x) ensure the significant findings and recommendations made by the external auditors and management's proposed responses are received, discussed and appropriately acted on.

**(d) Internal Controls:**

- (i) periodically, in consultation with management and external auditors, consider the effectiveness of internal and disclosure controls as they relate to the Corporation's financial reporting processes. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures; and
- (ii) approve the Chair of the Board and the Chief Executive Officer expenses to ensure

compliance with the Corporation's expense policy.

**(e) Risk Oversight:**

- (i) review risk management policies and procedures of the Corporation, including litigation and insurance coverage;
- (ii) review enterprise risk and in doing so, recognizing the responsibilities delegated to other committees by the Board and understanding that the other committees may emphasize specific risk monitoring through their respective activities;
- (iii) review the development and implementation of appropriate systems to identify, monitor and mitigate significant business risks; and
- (iv) endeavour to implement an effective system for the Board to approve, in conjunction with executive management, risk tolerances and appetites for strategic objectives.

**(f) Laws & Regulations:**

- (i) on at least an annual basis, review with the Corporation's counsel any legal matters that could have a significant impact on the organization's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies; and
- (ii) Review the status of the Corporation's tax returns and those of its subsidiaries.

**(g) Personnel:**

- (i) annually consider and satisfy itself of the appropriateness of the expertise and experience of the CFO and the adequacy of the resources of the finance function; and
- (ii) review financial and accounting personnel succession planning within the organization.

**(h) Other:**

- (i) annually review the Committee's Mandate;
- (ii) periodically assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board;
- (iii) annually review a summary of all related party transactions and potential conflicts of interest;
- (iv) review the confidential, anonymous submission of employees of the Corporation, received from the whistleblowing hotline, of concerns regarding questionable accounting, internal accounting controls, or audit matters; and
- (v) perform any other activities consistent with this Mandate, the Corporation's By-laws, and governing laws that the Board or Auditor Committee determines are necessary or appropriate.

## SCHEDULE D

### COMPENSATION COMMITTEE

#### Mandate

1. **Establishment of Compensation Committee:** The board of directors (the "Board") hereby establish a committee to be called the Compensation Committee (the "Committee").
2. **Membership:** The Committee shall be composed of three members or such greater number as the Board may from time to time determine, of whom the majority shall be "independent" directors as defined in Multilateral Instrument 52-110 "Audit Committees". Members shall be appointed periodically from among the members of the Board.
3. **Mandate:** The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for overseeing the approach of the Corporation to matters concerning director, executive and employee compensation and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:
  - (a) Reviewing the overall compensation philosophy of the Corporation;
  - (b) reviewing on a periodic basis the compensation of the Board, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in director compensation based upon such review;
  - (c) reviewing on a periodic basis the compensation of the Senior Executives of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in executive compensation based upon such review;
  - (d) reviewing, on a periodic basis the compensation program of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and approving changes to the compensation program. For this purpose, the compensation program of the Corporation will include salaries, benefit programs, stock-based compensation programs, incentive compensation programs, and all other items impacting the compensation of all employees of the Corporation;
  - (e) make recommendations to the board of directors regarding appointments of corporate officers and senior management;
  - (f) monitoring the human resources practices of the Corporation, including the development and implementation of policies, performance management and other processes impacting employee recruitment and retention;
  - (g) reviewing corporate goals and objectives relevant to Chief Executive Officer compensation and together with the independent directors determine and approve the Chief Executive Officer's compensation based on evaluation from the Chairman of the Board;
  - (h) making recommendations to the board of directors with respect to compensation of executive officers other than the Chief Executive Officer and incentive compensation and equity based plans that are subject to board approval;
  - (i) reviewing annually and recommending for approval to the board of directors the executive compensation disclosure and "Report of the Compensation Committee" disclosure of the Corporation in its information circular; and
  - (j) reviewing periodically the Committee's Terms of Reference.

## SCHEDULE E

### CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

#### Mandate

1. **Establishment of Corporate Governance Committee:** The board of directors (the "Board") hereby establishes a committee to be called the Corporate Governance and Nominating Committee (the "Committee").
2. **Membership:** The Committee shall be composed of three members or such greater number as the Board may from time to time determine, of whom the majority shall be "independent" directors as defined in National Instrument 52-110 – Audit Committees. Members shall be appointed periodically from among the members of the Board.
3. **Mandate:** The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for developing the approach of the Corporation to matters concerning corporate governance and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:
  - (a) periodically review the mandates of the Board and the mandates of its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable;
  - (b) preparing and recommending to the Board periodically a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange or any other regulatory authority;
  - (c) to make recommendations to the Board as to which directors should be classified as "independent" directors or "non-independent" directors pursuant to any such report or circular;
  - (d) reviewing on a periodic basis the composition of the Board and considering whether an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
  - (e) assessing, periodically, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board;
  - (f) developing a list of potential candidates for Board membership when required and where appropriate, interviewing potential candidates for board membership;
  - (g) to develop for approval by the Board, when necessary, an orientation and education program for new recruits to the Board;
  - (h) to act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
  - (i) to develop and recommend to the Board for approval and periodically review structures and procedures designed such that the Board can function independently of management including, as and when determined to be appropriate by the Committee, recommending to the Board that a Lead Director be appointed to serve in such position (as delineated in the Corporation's Lead Director Position Description);
  - (j) review periodically the Committee's Terms of Reference; and
  - (k) to review and consider the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director.

## SCHEDULE F

### **ADMINISTRATIVE MATTERS IN RESPECT OF THE AUDIT COMMITTEE, THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE AND THE COMPENSATION COMMITTEE OF THE CORPORATION**

**(collectively, the "Committees" and individually a "Committee")**

The following administrative provisions and procedures shall have application to the Committees:

- (a) each Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation;
- (b) two members of a Committee shall constitute a quorum. No business may be transacted by a Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference;
- (c) any member of a Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on a Committee by appointment from among its members. If and whenever a vacancy shall exist on a Committee, the remaining members may exercise all its powers so long as a quorum remains;
- (d) each Committee shall meet at least two times per year (a minimum of four times in respect of the Audit Committee) and/or as deemed appropriate by the Chair of the applicable Committee;
- (e) agendas shall be circulated to Committee members along with background information on a timely basis prior to Committee meetings;
- (f) any issues arising from Committee meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair or Lead Director, as so determined by the applicable Committee;
- (g) a Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
- (h) the time at which and place where the meetings of a Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee Chair, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board;
- (i) unless otherwise designated by the Board, the members of a Committee shall elect a Chair from among the members and the Chair shall preside at all meetings of the Committee. The Chair of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chair at a Committee meeting, the members of the Committee shall appoint one of their members to act as Chair of such meeting. Notwithstanding the foregoing, in all circumstances the Chair must be an independent director, unrelated to the Corporation; and
- (j) minutes of each Committee will be recorded and maintained and circulated to Committee members and to directors who are not members of the Committee or otherwise made available to such persons at a subsequent meeting of the Board.