

REALIA PROPERTIES INC.

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INFORMATION CIRCULAR

Solicitation of Proxies

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Realia Properties Inc. (the "**Company**") for use at the annual general and special meeting of shareholders (the "**Shareholders**") of the Company (the "**Meeting**") to be held at the 11th Floor Conference Room, 151 Yonge Street, 11th Floor, Toronto, Ontario on June 4, 2020, at 1:00 p.m. (Eastern time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting and Special Meeting of Shareholders.

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to "**the Company**", "**we**" and "**our**" refer to Realia Properties Inc. "**Common Shares**" means common shares in the authorized share structure of the Company as at the date of this Information Circular. "**Beneficial Shareholders**" means Shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Date of Information Circular

Information contained in this Information Circular is given as at April 17, 2020, unless otherwise indicated.

GENERAL PROXY INFORMATION

Revocability of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) executing a proxy bearing a later date; or
- (b) executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the Proxy bearing a later date with AST Trust Company (Canada), or at the address of the registered office of the Company at 151 Yonge Street, 11th Floor, Toronto, Ontario M5C 2W7 at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the date that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

Appointment of Proxyholders

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

The individuals named in the accompanying form of proxy (the "Proxy") are directors and/or officers of the Company (the "Management Designees"). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting other than either of the Management Designees. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy will not be valid unless the completed, dated and signed Proxy is delivered to the office of **AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1** or faxed to **416-368-2502** or **1-866-781-3111**, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Exercise of Discretion

The Management Designees named in the Proxy will vote or withhold from voting the shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. The Proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

Proxy Voting Options

If you are a registered shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, **AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1** or fax it to **416-368-2502** or **1-866-781-3111**, at any time up to and including 1:00 p.m. (Eastern Time) on June 2, 2020.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such shares are registered under

the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Communications Solutions Canada ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. 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. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend at the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instrument form provided to you and return the same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal Proxy which would enable you, or a person designed by you, to attend at the Meeting and vote your Common Shares.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as disclosed herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed April 17, 2020, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of April 17, 2020, the Company had outstanding 255,221,137 fully paid and non-assessable Common Shares without par value, each carrying the right to one vote. The Company has no other classes of voting securities.

Other than as set out below, to the knowledge of the directors and executive officers of the Company, no one beneficial owner owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the outstanding voting rights of the Company:

Shareholder Name	Number of Shares Held	Percentage of Issued Shares
Inovalis SA / Inovalis City Center Retail Fund	55,930,026	21.91%
Hoche Partners Private Equity Investors SARL	166,282,835	65.15%

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

Recommendation of the Board

The Board unanimously recommends that Shareholders vote in favour of all resolutions.

ELECTION OF DIRECTORS

The Board currently consists of three directors. Management proposes to fix the number of directors of the Company at three and to nominate the persons listed below for election as directors.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Canada Business Corporations Act* (the "**CBCA**") or the Articles of the Company, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Notwithstanding the foregoing, the Company has adopted a majority voting policy, a copy of which is attached as Schedule "C" hereto. Pursuant to such policy, if any nominee for an uncontested election as a director receives a greater number of votes "withheld" from his or her election as a director than votes "in favour" or "for" such election, that director shall promptly submit his or her resignation to the Chairman of the Company's board of directors following the Meeting, which resignation will take effect on acceptance by the Board. Further discussion of the majority voting policy can be found under the section "Corporate Governance" below.

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named, in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each beneficially owns or over which control or direction is exercised:

Nominee Position with the Company and Province/State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control of Direction is Exercised ⁽²⁾
Stéphane Joseph Amine Director Paris, France	Chairman of Inovalis SA and legal representative of direct and indirect subsidiaries of Inovalis SA, Chairman of Inovalis Real Estate Investment Trust; Chairman of Advenis SA and legal representative of direct and indirect subsidiaries of Advenis SA.	August 2014	Audit Committee Governance and Compensation Committee Investment Committee	55,930,026 ⁽³⁾
Jean-Daniel Cohen Director and CEO Brussels, Belgium	Group Chairman of Hoche Partners Group of Companies	December 2015	Audit Committee Governance and Compensation Committee Investment Committee	166,282,835 ⁽³⁾

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by AST Trust Company (Canada), the registrar and transfer agent of the Company, insider reports filed on SEDI and by the nominees themselves.
- (3) Mr. Amine and Mr. Cohen do not beneficially own the shares; they merely hold executive positions within the organizations that own them.

To the knowledge of the Company, no proposed director is, or has, within the 10 years before the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that,

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Company, no proposed director of the Company was, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Realia Properties Inc.) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of the information circular, 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.

No proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any 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 that proposed director.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

The Compensation Committee has the responsibility of determining the compensation for the Chief Executive Officer (the "**CEO**") and the Chief Financial Officer (the "**CFO**") and of determining compensation for directors and senior management.

The Compensation Committee's compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

Compensation

The compensation program is designed to provide competitive levels of compensation. The Compensation Committee recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Company's NEOs (defined below) may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or
- Bonuses.

The objectives and reasons for this system of compensation are to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Compensation Committee relies on the general experience of its members in setting base salary amounts.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are

paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

Executive Compensation

In this section “**Named Executive Officer**” or “**NEO**” means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation exceeds \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end.

Eric Fazilleau, the Company's CEO and Kyra Dorn, the Company's CFO, are the “**Named Executive Officers**” of the Company for the purposes of the following disclosure. There are no other executive officers of the Company whose total compensation exceeded \$150,000 in the financial year ended December 31, 2019. The compensation paid to the Named Executive Officers for the three most recently completed financial years of the Company is as set out below:

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$) ⁽²⁾	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jean-Daniel Cohen, Chairman & Former CEO ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kyra Dorn CFO & Administrator ⁽²⁾	2019	US\$60,000	N/A	N/A	N/A	N/A	N/A	N/A	US\$60,000
	2018	US\$60,000	N/A	N/A	N/A	N/A	N/A	N/A	US\$25,000
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eric Fazilleau, CEO ⁽³⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Mr. Cohen served as CEO of the Company from March 20, 2018 until his resignation effective May 2, 2019.

(2) Mrs. Dorn was appointed as CFO of the Company on March 20, 2018 and began receiving a salary in August 2018.

(3) Mr. Fazilleau was appointed as CEO of the Company of May 2, 2019.

Narrative Discussion

The Company does not currently have an incentive plan, which is defined under Form 51-102F6 to be “any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period”. “Share-based awards”, “option-based awards” and “non-equity incentive plan compensation” are all defined under Form 51-102F6 to be categories of incentive plans; consequently there have been no awards or compensation granted by the Company under these categories.

Incentive Plan Awards - Outstanding Share-Based Awards And Option-Based Awards

As discussed above, the company does not have any incentive plans that provide compensation to the recipient upon the achievement of certain performance goals or similar conditions within a specified period. However, incentive stock options were granted to certain directors and officers, for which details are disclosed under “Stock Option Plan”.

The following outstanding option-based awards were held by the Company's Named Executive Officers that were outstanding as at December 31, 2019.

Incentive Plan Awards - Value Vested or Earned During The Year

Name (a)	Option-based awards – Value vested during the year ⁽¹⁾ (\$) (b)	Share-based awards – Value vested during the year (\$) (c)	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Eric Fazilleau, CEO ⁽²⁾	250,000	Nil	Nil
Jean-Daniel Cohen Former CEO	Nil	Nil	Nil
Kyra Dorn CFO	Nil	Nil	Nil

(1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

(2) Mr. Fazilleau was appointed as CEO of the Company on May 2, 2019.

Termination of Employment, Change in Responsibilities and Employment Contracts

There are no employment contracts between the Company and the Named Executive Officers except as described under the heading "Management Contracts". Other than as disclosed below, there are no compensatory plans, contracts or arrangements between the Company and any Named Executive Officer, where the Named Executive Officer is entitled to receive more than \$50,000 from the Company, including periodic payments or instalments, in the event of:

- (a) the resignation, retirement or any other termination of employment of the Named Executive Officer's employment with the Company;
- (b) a change of control of the Company; or
- (c) a change of the Named Executive Officer's responsibilities following a change in control.

Pension Arrangements

The Company does not have any pension arrangements in place for the Named Executive Officers.

COMPENSATION OF DIRECTORS

For a description of the compensation paid to the Company's Named Executive Officer(s) who also act as directors, see "Summary Compensation Table".

Other than as disclosed elsewhere in this Information Circular, no director of the Company who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options to directors of the Company from time to time pursuant to the stock option plan of the Company and in accordance with the policies of the TSX Venture Exchange (the "TSX-V").

The compensation paid to the directors, other than the Named Executive Officers, during the Company's most recently completed financial year is as set out below:

Name (a)	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards ⁽¹⁾ (\$) (d)	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Jean-Daniel Cohen	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stéphane Joseph Amine	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- (1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Company uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.

Narrative Discussion

Other than amounts already included in the above table, the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options to the Company's directors is to assist the Company in compensating, attracting, retaining and motivating the directors and to closely align the personal interests of the directors to that of the Company's shareholders.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period, at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the directors who were not Named Executive Officers as at the end of the most recently completed financial year:

Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options ⁽¹⁾ (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
Jean-Daniel Cohen	Nil	Nil	Nil	Nil	Nil	Nil
Stéphane Joseph Amine	100,000	\$0.06	July 28, 2025	5,500	Nil	Nil

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.005 per Common share, and the exercise or base price of the option.

Incentive Plan Awards - Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to directors who were not Named Executive Officers as at the end of the most recently completed financial year are as follows:

Name (a)	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
	(\$) (b)	(\$) (c)	(\$) (d)
Jean-Daniel Cohen	Nil	Nil	Nil
Stéphane Joseph Amine	Nil	Nil	Nil

- (1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan that the Company has in place is its stock option plan (the “Plan”). The Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company. The Plan provides that options will be issued pursuant to option agreements with directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company’s most recently completed fiscal year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	360,000	\$0.06	4,744,422
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	360,000	\$0.06	4,744,422

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company’s directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of the company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Except as set out below, since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Debt Settlement Agreements

On September 8, 2019, the Company entered into a Settlement Agreement with Round Table and other parties to settle \$400,000 in debt for which a 7.5% unsecured subordinated loan was issued on February 23, 2018.

Also on September 8, 2019, as part of the aforementioned Settlement Agreement, the Company settled \$400,000 in debt for which a 7.5% unsecured subordinated loan was issued by TitanStar Finance on February 22, 2018.

Exercise of Option re Martin Downs

On October 17, 2018, the Company acquired an additional 41% interest. The acquisition was a result of the Company exercising an option from the original 2015 Purchase and Sales agreement. In consideration for the agreed upon purchase price of \$2,307,556, the Company issued 38,459,269 common shares at \$0.06 per share as at February 22, 2019.

APPOINTMENT OF AUDITOR

Raymond Chabot Grant Thornton LLP was engaged to audit the financial statements of the Company for the year ended December 31, 2019. Management recommends that Shareholders vote to re-appoint Raymond Chabot Grant Thornton LLP, Chartered Accountants, of Tour de la Banque Nationale, 600, rue De La Gauchetière Ouest, bureau 2000 Montréal, QC H3B 4L8, as auditors for the Company and to authorize the directors to fix their remuneration.

MANAGEMENT CONTRACTS

Except as set out below, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

Consulting Service Contract

On March 20, 2018, the Company entered into a contract with Hoche for the purpose of obtaining CEO services and related services from Jean-Daniel Cohen, and CFO services and related services from Kyra Dorn, both of whom were appointed officers of the Company on March 20, 2018. Mr. Cohen resigned as CEO effective May 2, 2019. Mrs. Dorn receives an annual salary of US\$60,000 in exchange for her services and is entitled to receive incentive stock options under the Company's incentive stock option plan, in such amounts and on such terms and conditions as the Company may, from time to time, determine.

CORPORATE GOVERNANCE

General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201").

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the “**CSA**”) have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of its corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “**material relationship**” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The current independent members of the Board of Directors of the Company are Stéphane Joseph Amine and Jean-Daniel Cohen, the Chairman.

The Board currently facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and having strong independent members. The independent directors are, however, able to meet at any time without any of the non-independent directors being present. Further supervision is performed through the audit committee (the “**Audit Committee**”) who may meet with the Company’s auditors without management being in attendance.

Directorships

The participation of the directors in other reporting issuers as at the date of this Management Circular is described in the following table:

Name of Director	Names of Other Reporting Issuers of which the Director is a Director
Stéphane Joseph Amine	Inovalis Real Estate Investment Trust, Advenis
Jean-Daniel Cohen	Société Centrale des Bois et Scieries de la Manche, Crosswood SA, Foncière Volta (listed on NYSE Euronext Paris), Inovalis Real Estate Investment Trust, Advenis

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company’s properties and on director responsibilities.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business. In addition, management of the Company makes itself available to discussions with all Board members.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the Company’s Shareholders for election at the annual meeting of the Company’s Shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this

policy will be reviewed.

Majority Voting Policy

The Company has adopted a majority voting policy, a copy of which is attached as Schedule "C" hereto. Pursuant to this policy, if any nominee for an uncontested election as a director receives a greater number of votes "withheld" from his or her election as a director than votes "in favour" of or "for" such election, that director shall promptly submit his or her resignation to the Chairman of the Board following the applicable shareholders' meeting, such resignation to take effect upon acceptance by the Board, which retains discretion as to whether such resignation is accepted.

If the resignation is accepted, the Board may appoint a new director to fill the vacancy created by such resignation or reduce the size of the Board.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and committees.

Compensation

The Board is not compensated for acting as directors, except for being granted incentive stock options pursuant to the policies of the TSX-V and the Company's stock option plan. The compensation committee recommends to the Board the stock option grants for each director and the compensation of the senior officers. The Board then acts as a whole to determine and approve the final stock grants and compensation amounts.

Governance and Compensation Committee

The Company established a governance and compensation committee on October 17, 2008, which is currently comprised of Stéphane Joseph Amine and Jean-Daniel Cohen.

Investment Committee

On February 27, 2017, the Company established an Investment Committee, whose members are currently comprised of Stéphane Joseph Amine and Jean-Daniel Cohen.

Other Board Committees

The Board has no committees other than the Audit Committee, the Governance and Compensation Committee and the Investment Committee.

The services of the senior officers of the Company are provided by the Asset Managers pursuant to the Asset Management Agreement and the Non-Binding Term Sheet, and by the Consulting Service Contract. For a summary of the fees payable to the Asset Managers, see "Management Contracts."

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditors, as set forth in the following.

Charter

The Company has adopted a charter (the "**Charter**") of the Audit Committee of the Board, which is attached as Schedule "B" to this Information Circular.

Composition

The current members of the Audit Committee are Stéphane Amine and Jean-Daniel Cohen. Mr. Amine is an independent member of the Audit Committee, and Messrs. Cohen and Tronquoy are not independent.

All of the members of the Audit Committee are considered to be financially literate.

Relevant Education and Experience

- **Jean-Daniel Cohen** - Since 2001, Mr. Cohen has served as the Chairman and CEO of Hoche Partners Group of Companies, an international investment bank focused on providing advisory, structured financing, private equity and real estate services to family offices and medium-sized businesses. He also serves as Managing Director of LAURAD, a real estate-focused private equity investment group, whose investments include Lafoet Real Estate, a leading France based retail real estate broker franchise. Mr. Cohen sits on the Board of Trustees of Inovalis REIT, a Canadian Real Investment Trust listed on the Toronto Stock Exchange, and on the Boards of Société Centrale des Bois et Scieries de la Manche (SCBSM), a real estate investment trust listed on NYSE Euronext Paris, as well as Crosswood SA, and Foncière Volta, two French listed NYSE Euronext Paris investment companies, and Advenis, a Paris Stock Exchange listed company. Mr. Cohen graduated from École Centrale de Paris.
- **Stéphane Amine** - Mr. Amine has over 25 years of management experience in the European real estate market, and is also the chairman of Inovalis Real Estate Investment Trust. Since founding Inovalis SA in 1998, Mr. Amine has helped build Inovalis into one of Western Europe's leading privately owned real estate investment management companies, with 97 commercial real estate properties under its management in France and Germany which, as at the end of fiscal 2012, had an approximately value of \$2.3 billion. Prior to founding Inovalis, Mr. Amine managed the multinational investors of Constructa S.A., a leading developer and property manager with offices, at the time, in the United Kingdom, Switzerland and the United States.

In these positions, each member of the audit committee has been responsible for receiving financial information relating to the various companies which they have acted for. Additionally, each member has obtained an understanding of balance sheets, income statements and statements of cash flows and how these statements are integral in assessing the financial position of the Company and its operation results. Each member of the audit committee has an understanding of the business in which the Company is engaged in and has an appreciation for the relevant accounting principles for the business of the Company.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Raymond Chabot Grant Thornton LLP for the years ended December 31, 2018 and December 31, 2019, to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended December 31, 2019	Fees Paid to Auditor in Year Ended December 31, 2018
Audit Fees ⁽¹⁾	\$95,854	\$149,376
Audit-Related Fees ⁽²⁾	Nil	Nil
All Other Fees	Nil	Nil
Total	\$95,854	\$149,376

- (1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Company last received shareholder approval on June 3, 2019, of a "rolling" stock option plan whereby a maximum of 10% of the issued shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options. On July 12, 2019, Management passed a resolution to amend the "rolling" stock option plan to a "fixed" stock option plan (the "Plan") whereby a maximum of 5,104,422 shares (being 2% of the total number of issued shares of the Company calculated on a non-diluted basis at the time) be reserved for issuance pursuant to the exercise of options. Accordingly, the Company's Shareholders will be asked at the Meeting to ratify and approve the amended Plan, attached as Schedule "A" hereto.

The purpose of the Plan is to provide certain directors, officers and key employees of, and certain other persons who provide services to the Company and any subsidiaries with an opportunity to purchase Common Shares and benefit from any appreciation in the value of the Common Shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of Common Shares for the benefit of all of the Company's Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

As at the date of this Information Circular, 5,104,422 Common Shares are available under the Plan, of which 360,000 are issued and 4,744,422 are reserved and available for issuance under the Plan.

Under the Plan, the option price must not be less than the exercise price permitted by the TSX-V. The current policies of the TSX-V state that the option price must not be less than the closing price of the Common Shares listed on the TSX-V on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of the TSX-V. An option must be exercised within a period of five years from the date of granting. Within this five-year period, the Board may determine the limitation period during which an option may be exercised. Any amendment to the Plan requires the approval of the TSX-V and may require shareholder approval.

The material terms of the Plan are as follows:

1. The term of any options granted under the Plan will be fixed by the Board at the time such options are granted, provided that options will not be permitted to exceed a term of five years (or ten years if the Company is reclassified by the TSX-V as a Tier 1 Issuer).

2. The exercise price of any options granted under the Plan will be determined by the Board, in its sole discretion, but shall not be less than the closing price of the Common Shares the day on which the directors grant such options, less any allowable discount permitted by the TSX-V or TSX, as applicable.
3. Vesting limitations may apply to options granted under the Plan, imposed by the Board in its sole unfettered discretion, other than as required by TSX-V policies. For consultants or employees performing investor relations activities, no option shall be exercisable for a period exceeding twelve (12) months from the date the option is granted, with no more than one-quarter ($\frac{1}{4}$) of the options vesting in any three (3) month period.
4. All options will be non-assignable and non-transferable.
5. No options will be granted to option holders such that (i) any one individual (other than a consultant or an employee performing investor relations activities) together with such individual's participation in any other plan of the Company, exceed 5% of the issued Common Shares in any 12 month period; and (ii) all consultants or employees performing investor relations activities exceed 2% of the issued Common Shares.
6. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death or disability), as the case may be, then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director or ceases to be employed by the Company, subject to the terms and conditions set out in the Plan. However, if the option holder is engaged in investor relations activities the options must expire within 30 days after the option holder ceases to be employed by the Company to provide investor relations activities, in accordance with the policies of the TSX-V or the TSX, as applicable.
7. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Common Shares.

The full text of the Plan will be made available at the registered records offices of the Company, Suite 700 – 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1, until 4 p.m. on the business day immediately preceding the date of the Meeting. The Plan is also available on the internet at www.sedar.com.

Shareholder Approval

Shareholders will be asked at the Meeting to approve with or without variation the following resolution:

“RESOLVED THAT the Company’s Stock Option Plan be and is hereby ratified and approved, and that in connection therewith a maximum of 5,104,422 shares (2% of the current issued and outstanding common shares) be approved for granting as options and that the board of directors be and are hereby authorized, without further shareholder approval, to make such changes to the Stock Option Plan as may be required or approved by regulatory authorities.”

OTHER MATTERS

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

SHAREHOLDER PROPOSALS

The CBCA provides, in effect, that a registered holder or beneficial owner of shares that are entitled to vote at an annual meeting of the Company may submit to the Company notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The CBCA further provides, in effect, that the Company must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Company will not be required to set out the Proposal in its management proxy circular or

include a supporting statement if, among other things, the Proposal is not submitted to the Company at least 90 days before the anniversary date of the notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Company. As the notice in connection with the Meeting is dated April 30, 2020, the deadline for submitting a proposal to the Company in connection with the next annual general meeting of shareholders is January 30, 2021.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis of the most recently completed financial year ended December 31, 2019. Copies of the Company's financial statements and management discussion and analysis may be obtained upon request from the Company at 151 Yonge Street, 11th Floor, Toronto, Ontario M5C 2W7 - Telephone (647) 775-8337.

APPROVAL AND CERTIFICATION

The contents of this Information Circular have been approved and this mailing has been authorized by the directors of the Company.

Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Dated at Vancouver, British Columbia, this 30th day of April, 2020.

BY ORDER OF THE BOARD

"Jean-Daniel Cohen"

Jean-Daniel Cohen
Chairman, Board of Directors

SCHEDULE "A"

AMENDED STOCK OPTION PLAN

SCHEDULE "B"

REALIA PROPERTIES INC. (the "Company")

AUDIT COMMITTEE CHARTER

Purpose of the Committee

The purpose of the Audit Committee (the "**Committee**") of the Board is to provide an open avenue of communication between management, its independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- (b) the Company's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Company's independent auditors.

The Committee shall also perform any other activities consistent with this Charter, the Company's Articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chair from among their number. A majority of the members of the Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with generally accepted accounting principles ("**GAAP**"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditors' responsibility is to audit the Company's financial statements and provide their opinion, based on their audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with GAAP.

The Committee is responsible for recommending to the Board the independent auditors to be nominated for the purpose of auditing the Company's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditors. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditors. The independent auditors shall report directly to the Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.

3. Review with management and the independent auditors the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditors the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditors' judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditors without the presence of management.
8. Review with management and the independent auditors significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditors.
10. Monitor the independence of the independent auditors by reviewing all relationships between the independent auditors and the Company and all non-audit work performed for the Company by the independent auditors.
11. Establish and review the Company's procedures for the:
 - (a) receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - (b) confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (Canada) and the Company's Articles.

SCHEDULE "C"

REALIA PROPERTIES INC. (the "Company")

MAJORITY VOTING POLICY

INTRODUCTION

- A. The Canadian Coalition for Good Governance (the "**CCGG**") is a well-established corporate governance organization in Canada, whose members include Canadian institutional investors and major banks;
- B. The CCGG has been advocating for "majority voting" policies since August 2006;
- C. The Canadian federal government has introduced Bill C-25, which, among other things, implements majority voting requirements for federally incorporated companies, of which the Company is one;
- D. The Toronto Stock Exchange requires all of its listed companies to implement majority voting policies; and
- E. To be proactive, the Company considers it in the best interests of its shareholders to adopt the majority voting policy described herein.

MAJORITY VOTING POLICY

1. In an uncontested election of the directors of the Company, each director should be elected by the vote of a majority of the shares represented in person or by proxy at any shareholders' meeting for the election of directors. Accordingly, if any nominee for an uncontested election as a director receives a greater number of votes "withheld" from his or her election as a director than votes "in favour" of such election, that director shall promptly submit his or her resignation to the Chair of the Company's Board of Directors (the "**Board**") following that meeting, to take effect on acceptance by the Board.
2. For the purposes of this Policy, an "**uncontested election**" means an election where the number of nominees for director equals or is less than the number of directors to be elected.
3. The Board shall consider the offer of resignation and decided whether to accept or reject it. Any director who tenders his or her resignation pursuant to this Policy may not participate in the deliberations of the Board in respect of his or her resignation. In such deliberations, the Board will consider any stated reasons why shareholders "withheld" votes from the election of that director, the length of service and the qualifications of the director, the director's contributions to the Company, the effect such resignation may have on the Company (including but not limited to the Company's ability to comply with any governance rules or policies and the dynamics of the Board), and any other factors that the Board considers relevant.
4. The Board shall announce its decision via press release within 60 days following the applicable meeting, after considering the factors considered by it. The Board expects to accept the resignation except in situations where exceptional circumstances would warrant the director to continue to serve on the Board. However, if the Board declines to accept the resignation, it should include in such press release a summary of its reasons for such decision.
5. If a resignation is accepted, the Board may, in accordance with the *Canada Business Corporations Act* and its constating documents, appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board. If a director does not tender his or her resignation in accordance with this Policy, the Board will not re-nominate that director at the next election.