



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND  
MANAGEMENT INFORMATION CIRCULAR OF  
EXACTEARTH LTD.**

**For the Annual and Special Meeting of Shareholders to be held on  
April 29, 2019  
at 2:30 p.m.**

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**March 11, 2019**

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## NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of exactEarth Ltd. (“**exactEarth**” or the “**Corporation**”) will be held at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada, M5L 1B9 at 2:30 p.m. (Eastern Time), on April 29, 2019, for the purposes of:

- a. receiving the audited consolidated financial statements of the Corporation for the year ended October 31, 2018 and the report of the auditor thereon;
- b. electing directors for the ensuing year;
- c. reappointing the auditor of the Corporation and authorizing the directors to fix its remuneration;
- d. considering and, if deemed appropriate, passing, with or without variation, a resolution to amend the Corporation’s Share Unit Plan and Stock Option Plan (each as defined in the accompanying management information circular dated March 11, 2019 (the “**Information Circular**”)), to increase the number of authorized Common Shares to be reserved for issuance thereunder, and make amendments to certain provisions regarding amendments in the Stock Option Plan, as more particularly described in the Information Circular; and
- e. transacting such other business as may properly be brought before the Meeting.

Further information regarding the matters to be considered at the Meeting is set out in the Information Circular.

The directors of the Corporation have fixed the close of business on March 11, 2019 as the record date for determining Shareholders entitled to receive notice of and to vote at the Meeting.

Cambridge, Ontario, March 11, 2019.

By order of the Board of Directors

(s) *Eric Zahler*

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Eric Zahler  
Chair, Board of Directors

## IMPORTANT

Shareholders are encouraged to vote. Please complete, date and sign the enclosed form of proxy or voting instruction form and return it in the envelope provided for that purpose. Proxies, to be valid, must be deposited at the office of the registrar and transfer agent of the Corporation, Computershare Investor Services Inc., located at 100 University Street, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 2:30 p.m. (Eastern Time) on April 25, 2019 or, in the event the Meeting is adjourned or postponed, then not less than 48 hours (excluding Saturdays, Sundays and holidays) before the adjourned meeting is reconvened or the postponed meeting is convened. **If you appoint Peter Mabson or Sean Maybee as your proxyholder, your common shares of the Corporation (the “Shares” or “Common Shares”) will be voted in accordance with your instructions in the form of proxy or voting instruction form or, if no such instructions are given, such proxyholders will vote IN FAVOUR of the matters indicated in items (b), (c) and (d) hereinabove.** Shareholders may also vote by telephone or Internet by following the instructions provided in the enclosed form of proxy. If you choose to vote by telephone or Internet, your vote must also be cast no later than 2:30 p.m. (Eastern Time) on April 25, 2019 or, in the event the Meeting is adjourned or postponed, then not less than 48 hours (excluding Saturdays, Sundays and holidays) before the adjourned meeting is reconvened or the postponed meeting is convened.

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

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

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## MANAGEMENT INFORMATION CIRCULAR INTRODUCTION

This management information circular (this “**Information Circular**”) is provided in connection with the solicitation of proxies for use at the annual and special meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of exactEarth Ltd. (the “**Corporation**”) to be held on April 29, 2019, at the time and place and for the purposes stated in the accompanying notice of meeting (the “**Notice of Meeting**”) and any adjournment thereof. Unless otherwise indicated, the information contained in this Information Circular is given as of March 11, 2019.

Unless otherwise noted or the context otherwise indicates, “exactEarth”, the “Corporation”, “we”, “us” and “our” refer to exactEarth Ltd.

## NOTICE TO EXACTEARTH SHAREHOLDERS IN THE UNITED STATES

exactEarth is a corporation existing under the laws of Canada. The solicitation of proxies and the transactions contemplated herein involve securities of a Canadian issuer and are being effected in accordance with provincial and Canadian corporate and securities laws. Shareholders should be aware that requirements under such provincial and Canadian laws differ from requirements under United States corporate and securities laws relating to United States corporations. The proxy rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Corporation or this solicitation and therefore this solicitation is not being effected in accordance with such corporate and securities laws.

## CURRENCY

All references to “\$” and “dollars” are to Canadian dollars, references to “US\$” and “US dollars” are to United States dollars, references to “£” are to Pounds sterling and references to “€” are to Euros. **Amounts are stated in Canadian dollars unless otherwise indicated.**

## VOTING INFORMATION AND GENERAL PROXY MATTERS

### Solicitation of Proxies

**The enclosed proxy is being solicited by the management of the Corporation and the expenses of this solicitation will be borne by the Corporation.** The solicitation will be conducted primarily by mail but proxies may also be solicited personally by officers, employees or agents of the Corporation, without additional compensation. The Corporation shall directly deliver proxy documents to registered owners and non-registered owners of common shares of the Corporation (“**Shares**” or “**Common Shares**”) which are non-objecting beneficial owners through the Corporation’s registrar and transfer agent, Computershare Investor Services Inc. (“**Computershare**”), and the Corporation shall bear the cost of such delivery. The Corporation will also reimburse brokers and other persons holding Common Shares on their behalf or on behalf of nominees for reasonable costs incurred in sending the proxy documents to non-registered owners who are objecting beneficial owners.

### Voting Process

The voting process is different depending on whether you are a registered or non-registered owner of Common Shares and, if you are a non-registered owner of Common Shares, whether you are a non-objecting beneficial owner or objecting beneficial owner.

If you have Common Shares registered in your own name, you are a registered owner. If you do not hold Common Shares in your own name, you are a non-registered owner. If your Common Shares are listed in an account statement provided to you by a broker, then it is likely that those Common Shares will not be registered in your name, but under the broker’s name or under the name of an agent of the broker such as CDS Clearing and Depository Services Inc., the nominee for many Canadian brokerage firms, or its nominee.

There are two kinds of non-registered owners: (i) objecting beneficial owners, i.e., those who object to their name being made known to the issuers of shares which they own, and (ii) non-objecting beneficial owners, i.e., those who do not object to their name being made known to the issuers of the shares which they own.

Non-objecting beneficial owners will receive a voting instruction form from the Corporation's registrar and transfer agent, Computershare. This is to be completed and returned to Computershare in the envelope provided.

Securities regulation requires brokers or agents to seek voting instructions from objecting beneficial owners in advance of the Meeting. Objecting beneficial owners should be aware that brokers or agents can only vote Common Shares if instructed to do so by the objecting beneficial owner. Your broker or agent (or their agent, typically Broadridge Financial Solutions, Inc.) will have provided you with a voting instruction form or form of proxy for the purpose of obtaining your voting instructions. Every broker has its own mailing procedures and provides instructions for voting. You must follow those instructions carefully to ensure your Common Shares are voted at the Meeting.

**If you are an objecting beneficial owner receiving a voting instruction form or proxy from a broker or agent, you cannot use that proxy to vote in person at the Meeting. To vote your Common Shares at the Meeting, the voting instruction form or proxy must be returned to the broker or agent well in advance of the Meeting, as instructed by the broker or agent. If you wish to attend and vote your Common Shares in person at the Meeting, follow the instructions for doing so provided by your broker or agent.**

### **Record Date**

The record date for determining those Shareholders entitled to receive notice and to vote at the Meeting is the close of business on March 11, 2019 (the "**Record Date**"). Only registered and non-registered owners of Common Shares as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting. No person becoming a registered or non-registered owner after the Record Date shall be entitled to receive notice of the Meeting, nor can any registered or non-registered owner vote Common Shares they acquire after the Record Date at the Meeting. The failure of any Shareholder to receive notice of the Meeting does not deprive the Shareholder of the right to vote at the Meeting. As of the Record Date, there were 21,646,417 Common Shares issued and outstanding.

### **Appointment of Proxyholders**

**The persons named as proxyholders in the enclosed form of proxy or voting instruction form, Peter Mabson or Sean Maybee, are directors and/or officers of the Corporation. You are entitled to appoint a person, who need not be a Shareholder, other than the persons designated in the enclosed form of proxy, to represent you at the Meeting.** If you are a registered or non-objecting beneficial owner, such right may be exercised by inserting in the blank space provided in the form of proxy or voting instruction form the name of the person to be designated or by completing another form of proxy or voting instruction form and, in either case, depositing the form of proxy or voting instruction form with the registrar and transfer agent of the Corporation, Computershare, located at 100 University Street, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, or by fax at (416) 263-9394, at any time before the proxy deadline, being 2:30 p.m. (Eastern Time) on April 25, 2019 or, in the event the Meeting is adjourned or postponed, then not less than 48 hours (excluding Saturdays, Sundays and holidays) before the adjourned meeting is reconvened or the postponed meeting is convened. Objecting beneficial owners should follow the instructions provided by their broker or agent and must return the form of proxy or voting instruction form as directed by their broker or agent sufficiently in advance of the proxy deadline to enable their broker or agent to act on it before the proxy deadline. The Corporation reserves the right to accept late proxies and to waive the proxy deadline with or without notice, but is under no obligation to accept or reject any particular late proxy.

### **Revocation of Proxies**

You may revoke your proxy by providing new voting instructions in a new proxy or voting instruction form with a later date. Any new voting instructions, however, will only take effect if received prior to the proxy deadline. Registered and non-objecting beneficial owners may also revoke their proxy without providing new voting instructions by giving a notice in writing signed by such owner, or by his or her attorney authorized in writing to the registrar and transfer agent of the Corporation, Computershare, located at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than the close of business on the last business day preceding the

day of the Meeting or any adjournment thereof, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law; provided that if the registered or non-objecting beneficial owner is not an individual, the notice in writing must be signed by a duly authorized officer of such owner. Registered owners may attend the Meeting and vote in person and, if they do so, any voting instructions previously given by them for such Common Shares will be revoked. Objecting beneficial owners must contact their broker or agent in order to revoke their voting instructions and/or provide new voting instructions.

### **Exercise of Voting Rights by Proxies**

The persons named as proxies will vote or withhold from voting the Common Shares in respect of which they are appointed or vote for or against any particular question, in accordance with the instructions of the Shareholder appointing them. **In the absence of such instructions, such Common Shares will be voted in favour of all the matters identified in the attached Notice of Meeting.** The enclosed form of proxy confers discretionary authority upon the persons named therein to vote as they see fit with respect to amendments or variations to matters identified in the Notice of Meeting and to other matters which may properly come before the Meeting or any adjournment or postponement thereof, whether or not the amendment or variation or other matter that comes before the Meeting is or is not routine or is contested. As at the date of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting other than the matters referred to in the Notice of Meeting.

### **Voting in Person at the Meeting**

Registered owners may attend and vote in person at the Meeting. Non-objecting beneficial owners wishing to attend and vote in person at the Meeting should insert their name in the space provided in the voting instruction form and deposit it with Computershare, at any time before the proxy deadline. Objecting beneficial owners wishing to attend and vote in person at the Meeting should follow the instructions provided by their broker or agent. If you are a Canadian resident objecting beneficial owner, you need only insert your name in the space provided for the proxyholder appointment in the voting instruction form or proxy form, and return it as instructed by your broker or agent and you should not complete the voting section of the proxy form or voting information form, as you will vote in person at the Meeting. If you are an objecting beneficial owner resident in the United States, you will likely be instructed to mark the appropriate box on the other side of the voting instruction form to request a legal proxy to be issued and mailed to you by your broker or agent, and you will need to send the voting instruction form to your broker or agent, receive the legal proxy from your broker or agent and deposit the legal proxy with Computershare prior to the deadline.

### **Interest of Certain Persons in Matters to Be Acted Upon**

Other than as disclosed below, no person who has been a director or an executive officer of the Corporation nor any proposed nominee for election as a director of the Corporation at any time since the beginning of its last completed financial year, or any associate or affiliate of any such director, officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### ***Nominating Agreements***

On December 13, 2018, the Corporation completed an offering of convertible debentures (the “**Convertible Debentures**” and the “**Convertible Debenture Financing**”). On closing, the Corporation entered into a nominating rights agreement with Ewing Morris & Co. Investment Partners Ltd. (“**Ewing Morris**” and the “**Ewing Morris Nominating Agreement**”) and an amended and restated nominating rights agreement with Hisdesat Servicios Estratégicos, S.A. (“**Hisdesat**” and the “**Hisdesat Nominating Agreement**”, and together with the Ewing Morris Nominating Agreement, the “**Nominating Agreements**”). The Nominating Agreements provide that, so long as each of Ewing Morris and Hisdesat has, directly or indirectly, a 10% or greater beneficial Voting Interest (as defined below) in the Corporation, the Corporation will include two nominees of each of Ewing Morris and Hisdesat for director at the Corporation’s annual meeting, and for so long as each of Ewing Morris and Hisdesat has, directly or indirectly, a 5 to 9.99% beneficial Voting Interest in the Corporation, the

Corporation will include one nominee of each of Ewing Morris and Hisdesat for election as director at the Corporation's annual meeting.

Each of the Ewing Morris Nominating Agreement and the Hisdesat Nominating Agreement shall automatically terminate when either Ewing Morris or Hisdesat, as applicable, has a beneficial Voting Interest in the Corporation that is less than 5%. "Voting Interest" is defined in the Nominating Agreements as, at a particular time, the quotient that is obtained by dividing (i) the sum of the number of common shares held by such shareholder at the relevant time and the number of common shares issuable pursuant to Convertible Debentures held by the shareholder, by (ii) the sum of the aggregate number of common shares issued and held by all shareholders of the Corporation, including such shareholder, and common shares issuable upon conversion of convertible securities, including the Convertible Debentures, but excluding any securities issuable pursuant to employee stock compensation plans, at the relevant time, on a fully-diluted basis.

As of the date of this Information Circular, Hisdesat and Ewing Morris are each entitled to elect two nominees at the Meeting. Hisdesat's nominees are Messrs. Miguel Angel Garcia Primo and Miguel Angel Panduro Panadero; Ewing Morris has nominated only Mr. Lee Matheson at this time.

### Voting Securities and Principal Holders Thereof

As at the Record Date, 21,646,417 Common Shares are issued and outstanding, being the only class of shares of the Corporation entitled to be voted at the Meeting. To the knowledge of the board of directors of the Corporation (the "Board" or the "Board of Directors") and management of the Corporation, as at the Record Date, no person owned or exercised control or direction over more than 10% of the issued and outstanding Common Shares, except for Hisdesat, which held 5,815,210 Common Shares, representing approximately 26.9% of all of the issued and outstanding Common Shares as of that date, and MM Asset Management Inc., on behalf of MMCAP International Inc. SPC ("MMCAP"), which exercised control or direction over an aggregate of 4,312,067 Common Shares, representing approximately 19.9% of all the issued and outstanding Common Shares.

In addition, in connection with the Convertible Debenture Financing, the following table indicates, as at the Record Date, with respect to each subscribing insider and each investor who could potentially acquire an approximate ownership interest in the Company in excess of 10%, (i) the Common Shares issuable upon the full conversion of their respective Convertible Debentures and the approximate percentage that such number of Common Shares represent as a percentage of the issued and outstanding Common Shares post Convertible Debenture Financing; and (ii) the approximate percentage of Common Shares each applicable investor would hold upon full conversion of their respective Convertible Debentures in the event that no other investors converted their respective Debentures.

Investors	Current Common Shares registered and beneficially owned	Common Shares issuable upon full conversion of the applicable Convertible Debentures (or % of the Common Shares) on fully diluted basis <sup>(1)</sup>	Common Shares issuable upon full conversion of the applicable Convertible Debentures (or % of the Common Shares) on partially-diluted basis <sup>(2)</sup>
Hisdesat . . . . .	5,815,210 (26.9%)	4,000,000 (or 20.6%)	9,815,210 (or 38.3%)
MMCAP . . . . .	4,312,067 (19.9%)	9,134,000 (or 28.2%)	13,446,067 (or 43.7%)
Ewing Morris . . . . .	69,800 (0.3%)	5,400,000 (or 11.5%)	5,469,800 (or 20.2%)
PenderFund Capital Management Ltd. . . . .	626,552 (2.9%)	5,000,000 (or 11.8%)	5,626,552 (or 21.1%)

Notes:

- (1) Assumes that all of the investors convert their respective Convertible Debentures.
- (2) Assumes that none of the other investors convert their respective Convertible Debentures.



## BUSINESS OF THE MEETING

The Meeting will be constituted as an annual and special meeting. The audited consolidated financial statements of the Corporation for the year ended October 31, 2018 and the auditor's report thereon will be presented to the Shareholders at the Meeting, but no vote thereon or with respect thereto is required or proposed to be taken. Shareholders will be asked to consider and vote on:

- A. the election of the directors of the Corporation who will serve until the next annual meeting of Shareholders or until their successors are appointed;
- B. the re-appointment of the auditor of the Corporation who will serve until the end of the next annual meeting of Shareholders or until its successor is appointed, and authorizing the Board to fix its remuneration;
- C. an ordinary resolution to amend the Corporation's Share Unit Plan and Stock Option Plan (each as defined herein) to increase the number of authorized Common Shares to be reserved for issuance under the Share Unit Plan and Stock Option Plan, respectively, and make amendments to certain provisions regarding amendments in the Stock Option Plan; and
- D. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

### A. Presentation of the Financial Statements

As indicated above, the audited consolidated financial statements of the Corporation for the year ended October 31, 2018 and the auditor's report thereon will be presented to the Shareholders at the Meeting, but no vote with respect thereto is required or proposed to be taken.

### B. Election of Directors

The articles of the Corporation provide that the Board shall consist of not less than three and not more than fifteen directors. The number of directors to be elected at the Meeting has been fixed by the Board at six (6). All of the proposed nominees are currently directors of the Corporation. Each director of the Corporation elected will hold office until the next annual meeting of the Shareholders or until the election of his successor, unless he resigns or his office otherwise becomes vacant. In addition, in accordance with the CBCA, the Board of Directors may appoint one or more additional directors who shall hold office until the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third ( $\frac{1}{3}$ ) of the number of directors elected at the previous annual meeting of shareholders.

### *Director Independence*

The Board is currently comprised of a majority of independent directors and will continue to be comprised of a majority of independent directors if all of the proposed nominees for election are elected at the Meeting. In particular, as at the date of this Information Circular, the Board is comprised of six directors, five of whom are considered to be independent within the meaning of National Instrument 58-201 — *Corporate Governance Guidelines* (“NI 58-201”) and Section 1.4 of National Instrument 52-110 — *Audit Committees* (“NI 52-110”). The current independent directors are Messrs. Eric Zahler, Miguel Angel Panduro Panadero, Miguel Angel Garcia Primo, Harvey Rein and Lee Matheson. Mr. Peter Mabson is not considered to be an independent director under these standards because he is the President and Chief Executive Officer of the Corporation. All of the current Board members served on the Board in fiscal 2018 other than Mr. Lee Matheson who was appointed on December 13, 2018.

The Corporation has taken steps to ensure that adequate structures and processes have been put in place to permit the Board of Directors to function independently of management of the Corporation. The current chair of the Board, being Mr. Eric Zahler, and the chair (as well as entire composition) of each committee is independent. In addition, the independent directors on the Board of Directors regularly meet without non-independent directors or management present. The chair of the Board conducts the sessions at Board meetings and the chair of each committee conducts them at committee meetings.

## Majority Voting

The Shareholders are entitled to elect directors of the Corporation and the provisions of the Nominating Agreement do not restrict the voting rights of shareholders. While our Board will be responsible for recommending the directors to be elected by shareholders at the annual meeting of shareholders, the Corporation has adopted a majority voting policy to deal with situations where a candidate recommended by our Board for election has more votes withheld than are voted in favour of such nominee. The Corporation believes that each director should have the confidence and support of the Shareholders. Where a director nominee has more votes withheld than are voted in favour of such nominee, the nominee, even though duly elected as a matter of corporate law, will be required to tender his or her resignation which will be accepted by our Board, absent exceptional circumstances, within 90 days after the date of the shareholder meeting. A press release disclosing the directors' determination shall be issued promptly following such determination and, if the resignation is not accepted, will include the reasons for doing so.

## Nominees

Management of the Corporation proposes to nominate the persons whose names are set forth below to act as directors of the Corporation. **Except where authority to vote on the election of directors is withheld, the persons named in the accompanying form of proxy intend to vote IN FAVOUR of the election of each of the nominees whose names are hereinafter set forth.** The Board and management of the Corporation have no reason to believe that any of such nominees will be unable or unwilling to serve, for any reason, if elected to office, but if that should occur for any reason at or prior to the meeting, the named proxyholders, if named as proxy, reserved the right to vote for another nominee in their discretion.

The following table and the notes thereto state (i) the names, municipality of residence and age of all persons proposed to be nominated for election as directors, (ii) all other positions and offices with the Corporation now held by them, (iii) their present principal occupations or employment, (iv) their principal occupations or employment in the preceding five years, (v) their periods of service as directors of the Corporation, and (vi) the number of Common Shares and deferred share units ("DSUs") beneficially owned or over which control or direction is exercised by each of them, in each case as at the Record Date. All current directors of the Corporation hold a term that ends at the close of the Meeting and each nominated director who is elected at the Meeting will hold office until the next annual meeting of Shareholders or until their successor is duly elected or appointed, unless prior thereto the director resigns or the director's office otherwise becomes vacant.

Name, Province or State and Country of Residence of Proposed Director	Age	Position in the Corporation	Principal Occupation		Director of the Corporation Since	Equity Ownership <sup>(1)</sup>	
			Present Principal Occupation	Principal Occupation in Preceding Five Years		Common Shares	DSUs
Peter Mabson Ontario Canada	60	Director, President and Chief Executive Officer	Director, President and Chief Executive Officer, exactEarth	Director, President and Chief Executive Officer, exactEarth	February 4, 2016	42,226 (0.20%)	—
Eric Zahler <sup>(2)(3)(4)</sup> New York USA	68	Director and Chairman of the Board	President and Chief Executive Officer, Monocle Acquisition Corporation	Managing Director, Sagamore Capital Group LLC	February 4, 2016	100,000 (0.46%)	142,914
Miguel Angel Panduro Panadero <sup>(4)</sup> Madrid Spain	56	Director	Chief Executive Officer, Hisdesat	Chief Executive Officer, Hisdesat	May 29, 2012	—	111,680
Miguel Angel Garcia Primo <sup>(3)</sup> Madrid Spain	58	Director	Chief Operating Officer, Hisdesat	Chief Operating Officer, Hisdesat	September 30, 2010	—	111,680
Harvey Rein <sup>(2)(3)(4)</sup> Connecticut USA	65	Director	Financial Consultant	Financial Consultant	April 26, 2018	—	48,364

Name, Province or State and Country of Residence of Proposed Director	Age	Position in the Corporation	Principal Occupation		Director of the Corporation Since	Equity Ownership <sup>(1)</sup>	
			Present Principal Occupation	Principal Occupation in Preceding Five Years		Common Shares	DSUs
Lee Matheson <sup>(2)</sup> Ontario Canada	38	Director	Partner, Investments, Ewing Morris	Partner, Investments, Ewing Morris; Principal, Broadview Capital Management Inc.	December 13, 2018	—	7,845

Notes:

- (1) Includes equity in the Corporation that is beneficially owned, or controlled or directed, directly or indirectly, by such director nominee.
- (2) Member of the Audit Committee (the “**Audit Committee**”). Mr. Harvey Rein is chair of the Audit Committee.
- (3) Member of the Human Resources and Compensation Committee (the “**HRCC**”). Mr. Harvey Rein is chair of the HRCC.
- (4) Member of the Corporate Governance and Nominating Committee (the “**CGNC**”). Mr. Eric Zahler is chair of the CGNC.

The proposed directors, as a group, beneficially own, directly or indirectly, or exercise direction or control over, 142,226 Common Shares, representing approximately 0.66% of the issued and outstanding Common Shares as at the Record Date. In addition, Messrs. Panduro Panadero and Garcia Primo are the Chief Executive Officer and Chief Operating Officer, respectively, of Hisdesat, which owns 5,815,210 Common Shares, representing approximately 26.9% of the issued and outstanding Common Shares as at the Record Date, and in connection with its subscription under the Convertible Debenture Financing, also holds 2,000,000 Convertible Debentures, which are convertible into an aggregate of 4,000,000 Common Shares, representing a beneficial interest of approximately 38.3% of the Common Shares on an as-converted, partially diluted basis, assuming that no other investors under the Convertible Debenture Financing convert their respective Convertible Debentures. Moreover, Mr. Matheson is a partner at Ewing Morris, which currently owns 69,800 Common Shares, representing approximately 0.3% of the issued and outstanding Common Shares as at the Record Date, and in connection with its subscription under the Convertible Debenture Financing, also holds 2,700,000 Convertible Debentures, which are convertible into an aggregate of 5,400,000 Common Shares, representing a beneficial interest of approximately 20.2% of the Common Shares on an as-converted, partially diluted basis, assuming that no other investors under the Convertible Debenture Financing convert their respective Convertible Debentures. DSUs do not entitle holders to any voting rights. See also “Voting Information and General Proxy Matters — Voting Securities and Principal Shareholders” and “Director Compensation — DSU Plan”.

### **Biographies**

#### *Peter Mabson*

Mr. Mabson has over 30 years of experience in the space sector and products businesses. Prior to joining the Corporation as President in 2009, Mr. Mabson held various executive positions within COM DEV International Ltd. (“**COM DEV**”). From 2002 until 2009, Mr. Mabson was Vice President of Corporate Development of COM DEV where he was responsible for corporate strategic planning and for mergers and acquisitions. Mr. Mabson has authored several technical papers related to satellite communications systems and previously served on the technology advisory board at Conestoga College in Kitchener, Ontario. Mr. Mabson graduated from McMaster University in 1981 with degrees in Engineering Physics and Business Management.

#### *Eric Zahler*

Mr. Zahler is President, CEO and a director of Monocle Acquisition Corporation (NASDAQ:MNCLU), a special purpose acquisition corporation seeking to complete an initial business combination with a company in the aerospace and defense industry. Prior to August 2018, Mr. Zahler was Managing Director of Sagamore Capital Group LLC, a private equity firm pursuing investments in the aerospace/defense, industrial electronics and selected business service markets. From February 2000 to November 2007, Mr. Zahler was President and Chief Operating Officer of Loral Space & Communications Inc., a global satellite communications services provider and a manufacturer of commercial satellites. From 1992 to 2000, Mr. Zahler held varying senior level management positions at Loral and its predecessor companies. From 1975 to 1992, Mr. Zahler was an attorney at Fried, Frank, Harris, Shriver & Jacobson LLP, where he was elected Partner in 1983. Mr. Zahler holds a Bachelor of Science degree in mathematics from Yale University and a law degree from Harvard Law School.

Mr. Zahler is also a director of Maxar Technologies Inc., a global communications and information company listed on the Toronto Stock Exchange (“TSX”) and the New York Stock Exchange (“NYSE”).

*Miguel Angel Panduro Panadero*

Mr. Panduro is the current Chief Executive Officer of Hisdesat, having previously served as the Chief Executive Officer of Ingeniería de Sistemas para la Defensa de España between 2004 and 2012. From 1990 to 2004, Mr. Panduro developed his career primarily at Hispasat by being a member of the Steering Committee, and through holding different positions within the company including, among others, Executive Vice President, Sales and Services. His prior experience also includes roles as a member of the Committee for the Support of Technology COTEC, as management at the European Broadcasting Union’s Digital Video Broadcasting and as chairman of the working group of the International Telecommunication Union, in addition to various other board memberships. He holds a Master of Science degree in Telecommunication Engineering from the Polytechnic University of Madrid (Spain) as well as various diplomas in corporate governance, strategic business management and project management technology. Mr. Panduro is also on the board of directors of a number of private companies.

*Miguel Angel Garcia Primo*

Mr. Garcia Primo has over 29 years of experience in the civilian and military aeronautics and space industries, in both the private and public sectors. Since 2001, he has been the chief operating officer and chief technical officer of Hisdesat. Mr. Garcia Primo joined us as a board member in 2010, and also serves on the board of several other satellite and communications technology companies. He previously worked at the Spanish National Institute of Aerospace Technology INTA in Spain, where his last position was Deputy General Manager for Research and Programs, both aeronautical and space. Mr. Garcia Primo graduated from the Higher Technical School of Aeronautical Engineering at the Polytechnic University of Madrid with a master’s degree of Aeronautical Engineering and is a member of the Official Aeronautical Engineer Association of Spain. He also holds various other diplomas in project management and human resources management, and is a graduate of the National Defense Course by the Higher Center for National Defense Studies CESEDEN in Spain.

*Harvey Rein*

Mr. Rein has over 30 years of experience in the defence and space industries. From 2008 to 2013, Mr. Rein was the Senior Vice President and Chief Financial Officer of Loral Space & Communications Inc., a global satellite communications services provider and a manufacturer of commercial satellites. From 1979 to 2008, Mr. Rein held varying senior level management positions at Loral and its predecessor companies. Prior to 1979, Mr. Rein was an audit supervisor for a public accounting firm. Mr. Rein holds a Graduate Diploma in Public Accountancy from McGill University and a Bachelor of Commerce from Concordia University. Mr. Rein is also a Certified Public Accountant in the United States and Canada. Mr. Rein currently provides consulting services, assisting clients in accounting, financial and SEC reporting, and business issues.

*Lee Matheson*

Mr. J. Lee G. Matheson is currently a partner at Ewing Morris, a value driven Canadian boutique investment firm. Mr. Matheson is a current board member of Echelon Financial Holdings Inc. (TSX: EFH) and has served on the board of Canadian Art Foundation (a non-profit) since December 2017. Prior to joining Ewing Morris, Mr. Matheson co-founded Broadview Capital Management Inc. (“**Broadview**”), an investment management firm located in Toronto, Ontario. Broadview was acquired by Ewing Morris in 2017. Previously, Mr. Matheson acted as a director of RDM Corporation (TSX: RC), Alarmforce Industries Inc. (TSX: AF), and Medworxx Solutions Inc. (TSXV: MWX). Prior to founding Broadview, Mr. Matheson was a securities analyst with KJ Harrison & Partners from 2006 to 2008 and a securities analyst with AIC Investment Services from 2003 to 2006. Mr. Matheson holds the Canadian Investment Manager (CIM) and Chartered Financial Analyst (CFA) designations.

**Record of Attendance of Directors at Board Meetings**

The following table sets forth the record of attendance of directors at meetings of the Board, the Audit Committee, the CGNC and the HRCC, during the year ended October 31, 2018.

Director <sup>(1)</sup>	Meetings of Board	Meetings of Audit Committee	Meetings of CGNC	Meetings of the HRCC
Peter Mabson . . . . .	7 of 7	—	—	—
Eric Zahler . . . . .	7 of 7	2 of 2	—	—
The Honorable Dennis Kloske <sup>(2)</sup> . . . . .	7 of 7	4 of 4	4 of 4	—
Miguel Angel Panduro Panadero . . . . .	7 of 7	—	4 of 4	—
Miguel Angel Garcia Primo . . . . .	7 of 7	—	—	4 of 4
William (Mac) Evans <sup>(2)(3)</sup> . . . . .	4 of 4	—	2 of 2	2 of 2
Harvey Rein <sup>(4)</sup> . . . . .	3 of 3	2 of 2	—	2 of 2
Pui-Ling Chan <sup>(4)</sup> . . . . .	3 of 4	1 of 2	—	1 of 2
Maria Izurieta <sup>(4)</sup> . . . . .	4 of 4	2 of 2	—	2 of 2

Notes:

- (1) Mr. Matheson was appointed to the Board on December 13, 2018.
- (2) The Honorable Dennis Kloske and William (Mac) Evans each resigned from the Board of Directors on December 13, 2018.
- (3) William (Mac) Evans joined the Board of Directors on January 25, 2018.
- (4) At the Corporation’s annual shareholders’ meeting on April 26, 2018, Harvey Rein joined the Board of Directors while Pui-Ling Chan and Maria Izurieta did not stand for re-election.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Corporation, none of the proposed directors of the Corporation is, or within 10 years before the date hereof, has been:

- (a) a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
  - (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
  - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days 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;
- (b) a director or executive officer of any company (including the Corporation) 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; or
- (c) has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromises with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Corporation, none of the proposed directors of the Corporation have been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **C. Appointment of Auditor**

At the Meeting, Shareholders will be asked to approve a resolution to reappoint the auditor of the Corporation until the close of the next annual meeting of the Shareholders or its successor is appointed, and to authorize the directors to fix its remuneration.

It is proposed that the firm of Ernst & Young LLP, Kitchener, Ontario, (“EY”), be reappointed as the auditor of the Corporation. EY has been the auditor of the Corporation since incorporation.

**The Board, upon advice of the Audit Committee, unanimously recommends that Shareholders vote IN FAVOUR of the reappointment of EY as auditor of the Corporation, to hold office until the close of the next annual meeting of the Shareholders or its successor is appointed, and authorizing the directors to fix its remuneration. The appointment of EY must be approved by a majority of the votes cast on the matter at the Meeting.**

**If you appoint Peter Mabson or Sean Maybee as your proxyholder, your Common Shares will be voted in accordance with your instructions in the form of proxy or voting instruction form or, if no such instructions are given, such proxyholders will vote IN FAVOUR of the appointment of EY as auditor of the Corporation, to hold office until the close of the next annual meeting of the Shareholders or its successor is appointed, and authorizing the directors to fix its remuneration.**

Additional details with respect to external auditor fees for past services can be found in the section “Audit Committee” of the Corporation’s annual information form dated January 25, 2019, which can be viewed under the Corporation’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) or on the Corporation’s corporate website at <http://investors.exactearth.com/>.

### **D. Proposed Amendments to the Corporation’s Share Unit Plan and Stock Option Plan**

In connection with the Spinout Transaction (as defined below), the Corporation adopted a share unit plan and a stock option plan, each effective as of February 4, 2016. At the Corporation’s 2018 Annual and Special Meeting of Shareholders, the Corporation sought and received shareholder approval of the amended and restated share unit plan. At the Meeting, Shareholders will be asked to approve a second amended and restated share unit plan (the “**Share Unit Plan**”) and an amended and restated stock option plan (the “**Stock Option Plan**”), each as more fully described below and in the section, “Statement of Executive Compensation — Long Term Incentive Plans — Stock Option Plan” and “Statement of Executive Compensation — Long Term Incentive Plans — Share Unit Plan”.

We believe that equity-based awards allow us to reward senior executive officers for their sustained contributions to us and align their interests with those of our Shareholders. We also believe that equity awards incentivize employee continuity and retention.

Our Board adopted the Share Unit Plan and Stock Option Plan to provide long-term equity incentives. Our Board believes that grants under the Share Unit Plan and Options to purchase Common Shares under the Stock Option Plan provide management with a strong link to our long-term performance and the creation of shareholder value. The HRCC determines the grant size and terms of awards for our NEOs to be recommended to our Board, taking into account, among other things, previous grants of Options and other equity incentives. Together, the Share Unit Plan and the Stock Option Plan are designed to align the NEOs long-term interests with those of our Shareholders.

As discussed in “Statement of Executive Compensation — Compensation Governance”, the purpose of the HRCC is to assist the Board in fulfilling its governance and supervisory responsibilities, and overseeing the Corporation’s human resources, succession planning, and compensation policies, processes, and practices. The HRCC’s duties and responsibilities entail setting objectives, evaluating performance, and ensuring that total compensation paid to the Corporation’s executive officers, personnel who report directly to the CEO and various other key managers is fair, reasonable and consistent with the objectives of the Corporation’s compensation program.

The total maximum number of Shares reserved for issuance under the Stock Option Plan (the “**SOP Maximum**”) as of October 31, 2018 is 2,160,550. The total maximum number of shares reserved for issuance under the Share Unit Plan (the “**SUP Maximum**”) is currently 10% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis).

The provisions of the Stock Option Plan in respect of amendments that can be made without shareholder approval be amended such that certain amendments to the Stock Option Plan may be made without obtaining approval from our Shareholders, including: (i) amendments to the vesting provisions described in the provisions of the Stock Option Plan; (ii) any amendments necessary to ensure that the Stock Option Plan complies with the rules of the TSX and any of applicable Governmental Body (as such term is defined in the Stock Option Plan) having authority over the Corporation, the Stock Option Plan or the Shareholders; (iii) amendments that are of an administrative or general housekeeping nature, including, without limitation, to clarify the meaning of an existing provision of the Stock Option Plan, correct or supplement any provision of the Stock Option Plan that is inconsistent with any other provision of the Stock Option Plan, correct any grammatical or typographical errors or amend the definitions in the Stock Option Plan regarding administration of the Stock Option Plan; (iv) amendments to the manner in which the Stock Option Plan is administered; and (v) any other amendment that does not require the approval of Shareholders under the Stock Option Plan. These amendments will align the provision in respect of amendments that can be made without shareholder approval in both the Stock Option Plan and what currently exists in the Share Unit Plan.

The HRCC has recommended, and the Board of Directors has approved, subject to Shareholder approval at the Meeting, that the Share Unit Plan and Stock Option Plan be amended such that (i) the SOP Maximum be amended to be 15% of the total number of Shares issued and outstanding from time to time; (ii) the SUP Maximum be increased by 5%, from 10% to 15% of the Corporation’s issued and outstanding Shares from time to time; and (iii) the Stock Option Plan be amended to align with the similar provisions for amendments in the Share Unit Plan. This amendment to each of the Share Unit Plan and Stock Option Plan is subject in its entirety to the Share Unit Plan and Stock Option Plan, respectively, which would give effect to such amendment.

If the Share Unit Plan and Stock Option Plan Resolution (defined below) is passed by Shareholders at the Meeting, the Share Unit Plan and the Stock Option Plan will each state that the SUP Maximum is 15% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis) and the SOP Maximum is 15% of the total number of Shares issued and outstanding from time to time (calculated on a non-diluted basis) and the amendment provisions in the Stock Option Plan will be amended accordingly.

The Share Unit Plan and Stock Option Plan have each been drafted to comply with the policies of the TSX as they exist at the date of this Information Circular. TSX rules require that, when instituted, security-based compensation arrangements, including arrangements involving an incentive mechanism concerning the issuance or potential issuance of securities of a listed issuer (like the proposed Amended Share Unit Plan), be approved by shareholders.

The Share Unit Plan and Stock Option Plan are each intended to attract and retain executives and key employees, whose skills, performance and loyalty to the objectives and interests of the Corporation are necessary to the Corporation’s success, as well as motivate and align executive officers and senior personnel with the long-term strategy and performance of the Corporation and shareholder interests.

A further discussion of the awards under the Share Unit Plan and the Stock Option Plan and a detailed summary description of the Share Unit Plan and Stock Option Plan can be found under the heading “Statement of Executive Compensation — Incentive Plan Awards — Long-Term Incentive Plans” of this Information Circular.

## *Approval Requirements*

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass an ordinary resolution (the “**Share Unit Plan and Stock Option Plan Resolution**”) adopting and approving the amendment to each of the Corporation’s Share Unit Plan and Stock Option Plan. The Share Unit Plan and Stock Option Plan Resolution requires the approval of at least a majority of the Common Shares voted in person or represented by proxy at the Meeting. The full text of the Share Unit Plan and Stock Option Plan Resolution is attached to this Information Circular as Schedule “C”.

**It is the intention of the person(s) named in the enclosed form of proxy, if not expressly directed to the contrary in such instrument of proxy, to vote such proxies FOR the ordinary resolution authorizing the approval of the Share Unit Plan and Stock Option Plan Resolution.**

## STATEMENT OF EXECUTIVE COMPENSATION

### **Compensation Discussion and Analysis**

The following section describes the significant elements of our executive compensation program for our fiscal year ended October 31, 2018, with particular emphasis on the process for determining compensation payable to our President and Chief Executive Officer, our Chief Financial Officer and our other officers and employees that we have determined are “executive officers” within the meaning of National Instrument 51-102 — *Continuous Disclosure Obligations*. These individuals are referred to below as “Named Executives Officers” or “NEOs” and are:

- Peter Mabson, President and Chief Executive Officer (“**CEO**”);
- Sean Maybee, Chief Financial Officer (“**CFO**”) and Secretary;
- David Martin, Vice President — Global Sales and Marketing;
- Margaret Browning, Vice President — Maritime Systems; and
- Peter Dorcas, Vice President, Business Development.

### *Objectives*

Our overall compensation strategy is to attract and retain highly qualified, committed, and high performing executive officers. Our executive compensation framework is designed to:

- **Align to shareholder interests** — align the interests of executive officers with the long-term interests of our shareholders through effective policy and program design;
- **Align with our strategic plan** — align compensation to incent and reward with the achievement of our key strategic goals and execution of our business strategy over the short-term and long-term;
- **Pay for performance** — evaluate and reward executive performance on the basis of key financial and non-financial performance measures which we believe closely correlate to long-term shareholder value creation; and
- **Effective risk management** — identify and mitigate any potential adverse consequences arising from compensation policies and practices that could encourage a NEO or an individual to take inappropriate or excessive risks.

The Corporation has a compensation philosophy that is framed by the following:

- Target paying at the 50<sup>th</sup> percentile of our comparator group
- Comparator group is made up of similar sized technology companies
- An emphasis is placed on pay-for-performance
- Incentive plans are simple and easy to understand
- We make minimal use of executive perquisites
- In the near term, cash preservation is a priority



This compensation philosophy is applied through offering an appropriate mix of fixed and variable compensation to encourage a high level of performance and outstanding results with a view to increasing long-term shareholder value.

### ***Benchmarking***

To assist us in determining appropriate levels of compensation, the Corporation conducts external compensation benchmarking at least every two years. We review and update our comparator group for benchmarking purposes every two years. Our most recent compensation benchmarking was completed in the fall of 2017. The comparator group used consisted of 14 publicly-traded North American technology companies generally of comparable revenue and market capitalization. The companies in the comparator group reflect our financial position and outlook as a publicly-listed organization and have a level of complexity of operations and technologies we believe are comparable to us.

Below is the comparator group used for our most recent compensation benchmarking.

<u>Company</u>			
C-Com Satellite	AGJunction	Evolving Systems Inc	ID Systems
UrtheCast Corp	Redline Communications	GlobalSCAPE	RedKnee
Numerex Corp	Vecima Networks	Posera	
BSM Technologies	Intermap Technologies	Espial Group	

### ***Elements of Compensation***

The table below describes the basic components of compensation for our NEOs for the fiscal year ended October 31, 2018 and how each component relates to the Corporation’s overall executive compensation objectives.

<u>Component</u>	<u>Details and Objectives</u>
<b>Base Salary</b>	<ul style="list-style-type: none"> <li>• Attract and retain talent, as well as provide a predictable and steady income.</li> <li>• Annual base salaries are based on market competitiveness, individual performance and internal equity. Salaries are targeted to be aligned with our Compensation Philosophy.</li> </ul>
<b>Benefits and Perquisites</b>	<ul style="list-style-type: none"> <li>• Provide market-competitive benefits to attract and retain talent.</li> <li>• Includes group life, health and dental insurance programs that are available to all employees and limited perquisites for certain NEOs.</li> <li>• NEOs are eligible to participate in the Corporation’s matching registered retirement savings plan (“RRSP”), which is available to all employees.</li> </ul>
<b>Annual Incentives</b>	<ul style="list-style-type: none"> <li>• All NEOs participate in the corporate Annual Incentive Plan (“AIP”) which is designed to motivate and reward achievement of annual corporate performance objectives with a focus on sustainable financial results as a primary driver of shareholder value creation.</li> <li>• For our Vice President, Global Sales and Marketing, the AIP is split between Corporate metrics used for the other NEO’s and the achievement of revenue from new order bookings.</li> <li>• Incentive targets are based on market competitiveness and in alignment with our Compensation Philosophy.</li> </ul>

**Component****Details and Objectives****Long-Term Incentives**

- Equity compensation in the form of time-vesting stock options and/or restricted stock units may be granted with the objective of being a primary retention vehicle for our executive officers and select key employees.
- Used to motivate and align executives with shareholders' interests. Grant decisions are reviewed annually with the value of equity grants, if any, based on market competitiveness and current retention status of our executive officers.

**Fixed Compensation*****Base Salary***

Base salary is provided as a fixed source of compensation for the CEO and other NEOs. Base salary for the CEO is recommended annually by the Human Resources and Compensation Committee, working closely with the Chair of the Board, and approved by the Board. For the other NEOs, base salaries are reviewed by the Human Resources and Compensation Committee based upon input and recommendations provided by the CEO. The base salary review, and any adjustments deemed appropriate, for each NEO considers factors such as market competitiveness and positioning relative to our compensation philosophy, the scope of the position and the experience, expertise and performance of the incumbent.

***Pension***

We do not provide a defined benefit plan or defined contribution plan. The NEOs are eligible to participate in the Corporation's matching RRSP program that is available to all employees. Pursuant to this program, the Corporation matches employee contributions to the RRSP in an amount of up to 5% of an employee's salary. See "Summary Compensation Table" below.

***Benefits***

Each NEO participates in the standard benefits program available to all employees including group life, disability, health, dental, and retirement savings plan.

**Variable Compensation*****Annual Incentive Plan ("AIP")***

Our AIP is designed to motivate the executives to achieve our short-term corporate goals. It is our primary compensation vehicle for incenting executive behaviour, focus, and near-term performance. Under the AIP, annual incentives for NEOs are awarded based on the achievement of annual corporate performance objectives.

The AIP places a high degree of focus on corporate financial targets, as we believe these metrics are the primary drivers of shareholder value creation. The financial metrics used are reviewed and determined annually. Each individual executive's AIP incentive target is reviewed annually to ensure market competitiveness with peer companies. These target incentives vary by NEO position and the maximum incentive for superior performance is 150% of the position's target incentive. The minimum incentive is zero for performance below established thresholds. The Corporation believes in establishing performance thresholds at 85% to 90% of the approved financial plan, where possible.

There were no payouts under the AIP in 2018 as the established thresholds were not met.

The following charts summarize NEO target and maximum incentives as a percentage of base salary and the formula used to determine annual incentive awards for fiscal year 2019<sup>(1)</sup>:

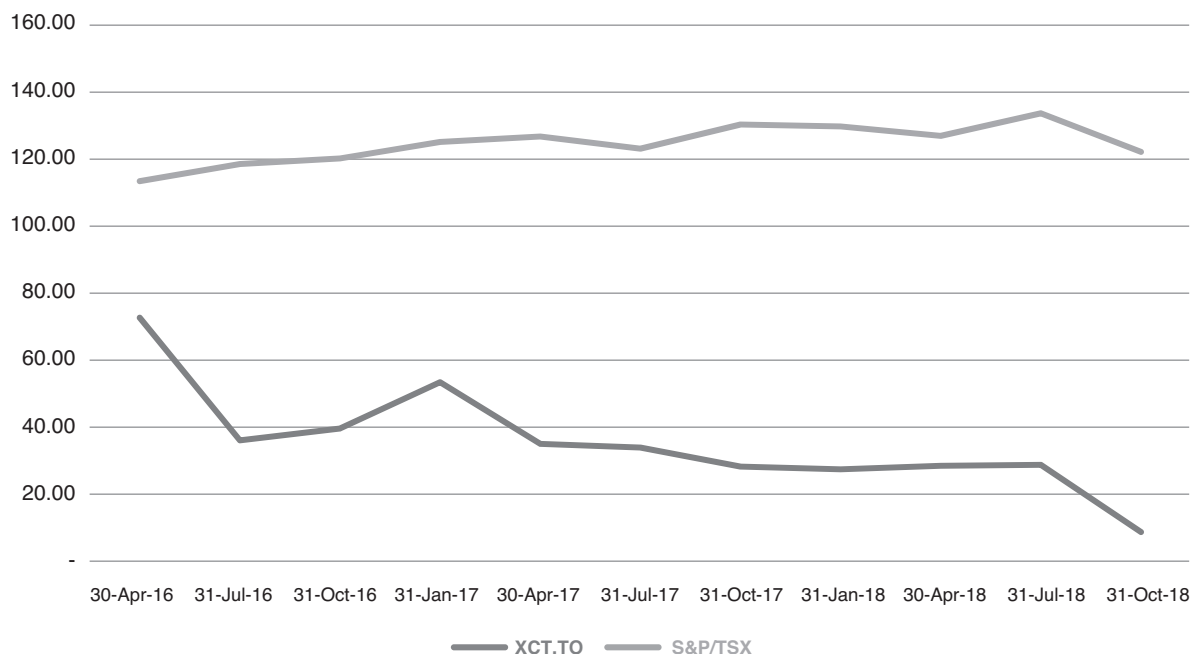
NEO	Target Award 2019 <sup>(2)</sup> (% of salary)	Maximum Award 2019 <sup>(2)</sup> (% of salary)
Peter Mabson, <i>President and Chief Executive Officer</i> . . . . .	60%	90%
Sean Maybee, <i>Chief Financial Officer and Secretary</i> . . . . .	40%	60%
David Martin, <i>Vice President — Global Sales and Marketing</i> <sup>(1)</sup> . . . . .	60%	90%
Margaret Browning, <i>Vice President — Maritime Systems</i> <sup>(3)</sup> . . . . .	—	—
Peter Dorcas, <i>Vice President — Business Development</i> . . . . .	40%	60%

Notes:

- (1) For fiscal year 2018 no incentive awards were made as threshold performance results were not achieved.
- (2) The target awards are for the 2019 fiscal year.
- (3) Ms. Browning retired on January 31, 2019 and is no longer employed by the Corporation.

### Performance Graph

The following chart shows the cumulative shareholder return on a \$100 investment in the Corporation's Common Shares made on February 9, 2016, being the date on which the Common Shares started trading on the TSX, compared with the cumulative return on the S&P/TSX Composite Total Return Index for the same period.



As part of the Corporation's approach to executive compensation, the annual total cash compensation is comprised of base salaries and performance bonuses. The Corporation's NEOs are also eligible to receive annual option or share unit grants, which will be issued based upon performance and meeting or exceeding established Board-approved targets. The annual incentive component of the Corporation's executive compensation is based on financial and operational performance objectives that are within management's control and may not always align with share price movement. For fiscal 2018, no incentive awards were made as threshold performance results were not achieved.

### *Share-Based and Option-Based Awards*

The Human Resources and Compensation Committee reviews long-term incentive targets periodically to ensure market competitiveness with peer companies. The elements of the long-term incentive vehicles are designed to meet our objectives of attracting, retaining and motivating key executives, as follows:

- Time-vesting RSUs are used to attract and retain executives and key employees.
- Grants of Options are used in a targeted way to focus senior executives on activities aimed at maximizing long-term shareholder value.

In 2018, no long-term incentive grants were made to any of our NEOs.

### **Compensation Governance**

In fiscal 2018, the HRCC consisted of three independent directors, Messrs. William (Mac) Evans (Chair), Harvey Rein and Miguel Angel Garcia Primo. As of the date of this Information Circular, the HRCC consists of Messrs. Harvey Rein (Chair), Eric Zahler and Miguel Angel Garcia Primo, all of whom are considered to be independent within meaning of National Instrument 58-201 and Section 1.4 of National Instrument 52-110. The HRCC is responsible for making recommendations to the Board relating to the compensation of NEOs. Each member of the HRCC has experience relevant to the responsibilities of an HRCC member.

The HRCC assists the Board in fulfilling its governance and supervisory responsibilities, and overseeing our human resources, succession planning, and compensation policies, processes, and practices. The HRCC's duties and responsibilities entail setting objectives, evaluating performance, and ensuring that total compensation paid to our executive officers, personnel who report directly to the CEO and various other key managers is fair, reasonable and consistent with the objectives of our compensation program.

The HRCC meets at least once each quarter and reports on its activities to the Board. The activities the HRCC undertakes are derived from its mandate contained in the HRCC Charter. At each regularly scheduled quarterly meeting, the HRCC holds an in-camera session without management present.

The specific work of the HRCC includes:

- setting performance objectives for the CEO, evaluating performance against these objectives, and recommending the CEO's compensation to the Board for approval;
- approving the corporate goals and annual objectives relevant to the compensation of all NEOs, and reviewing their compensation to ensure that it supports our business strategy, and aligns with our compensation philosophy;
- evaluating the compensation comparator group for the purpose of assessing executive compensation;
- assessing our executive compensation structure, and how the compensation structure supports our strategic plan, governance and sound compensation risk management practices, as well as alignment to shareholder interests;
- establishing compensation plans and policies including the AIP, long-term incentive policy, Stock Option Plan, deferred share unit plan (the "**DSU Plan**"), Share Unit Plan and employee share purchase plan (the "**ESPP**");
- updating the executive compensation disclosure in future management information circulars;
- reviewing and recommending long-term incentive grants to NEOs and other employees under the Share Unit Plan and Stock Option Plan to the Board for approval; and
- reviewing our organization structure, succession plan, and talent pool, as well as the CEO's position description.

Based on these assessments, reviews and recommendations by the HRCC, our full Board approves the compensation of the CEO and other NEOs, including salaries, bonuses and long-term incentives, and approves

goals and objectives relevant to the compensation of our CEO and the other NEOs. The Board and HRCC also solicits input from our CEO regarding the performance of our other NEOs.

#### *Compensation Consultant and Executive Compensation-Related Fees*

Stratford Managers Corporation (“**Stratford**”), an independent consulting firm, was retained in fiscal 2018 to provide independent support and advice to the Human Resources and Compensation Committee. Pursuant to such engagement, Stratford provided support including:

- assisting with updating and refining our compensation philosophy; and
- assisting with developing the executive compensation plans for fiscal 2019.

For its services in providing the above support with respect to our NEO compensation program, Stratford fees in fiscal 2018 was approximately \$3,000.

#### *Identification and Mitigation of the Risks Associated with the Compensation Program*

The HRCC’s responsibility in the risk oversight of our policies and practices is derived from its mandate as specified in the HRCC Charter. The HRCC recognizes the risk implications of our compensation structure, and considers the risks associated with the recommendations it makes to the Board regarding our overall compensation and benefits strategy and structure for its employees. In addition, when the HRCC makes recommendations to the Board regarding the compensation and benefit programs applicable to the CEO, the NEOs or any executive officer, it takes into account any risks associated with such recommendations.

#### *Identification of Compensation Risk*

We employ and will employ the following procedures to identify and mitigate compensation policies and practices that could encourage a NEO or an individual to take inappropriate or excessive risks:

- annual assessment of our compensation policies and practices including a review and analysis of those aspects of such policies and practices that may lead to risky behavior on the part of a NEO or any other relevant individual;
- dialogue and communication with third-party experts (as necessary) regarding an analysis of the risks associated with our compensation policies and practices and a review of the risk identification and mitigation practices employed by similar public corporations; and
- the scheduling of regular, in-camera, sessions of the HRCC which allows the members of the committee to discuss and analyze the risks associated with our compensation policies and practices free from the unstated influence and pressure that may be created by the presence of our management.

#### *Mitigation of Compensation Risk*

We structure our NEO compensation program to employ the following procedures designed to effectively mitigate any excessive risks which may result from the implementation of our executive compensation policy and practices.

#### **Risks Inherent with Incentive Awards**

- The HRCC, in conjunction with those people whom the committee looks for guidance and counsel, considers the risks associated with the targets and objectives chosen to measure performance for our annual incentive and long-term incentive plans. This includes detailed modeling and analysis of potential payout scenarios.
- The HRCC ensures that objectives do not expose us to inappropriate or excessive risks.

#### **Pay Mix**

- The variable component of our compensation program (which includes annual and long-term incentives) represents a sufficient percentage of “at risk” compensation to motivate executives and our other employees to focus on both short and long-term results and performance criteria.

- Elements of compensation, together, ensure a balance in the mix of fixed and variable compensation, short-term and long-term incentives, cash versus equity, and performance-based versus time-based awards.
- Performance Thresholds**
- All AIP payouts are subject to the achievement of minimum financial performance thresholds which, where possible, fall between 85% and 90% of the corporate financial plan targets. Payouts are also qualified with the need of having a certain cash position at year-end. This feature encourages decision making that is in our best long-term interests and the interests of our shareholders as a whole.
- Capped Payouts**
- The maximum amount that an employee can receive under the AIP is capped at 1.5 times the target payout.
- Effective Design of Long-Term Incentive Mix**
- Unless otherwise specified elsewhere in this Information Circular, RSUs cliff-vest at the end of a three-year period based solely upon length of service and PSUs cliff-vest at the end of a three-year period based on the achievement of Adjusted EBITDA growth targets.
  - Unless otherwise specified elsewhere in this Information Circular, Options vest over a three-year period — 40% vests after the first anniversary, 30% after the second anniversary, and 30% after the 3rd anniversary from the date of grant. Options are only valuable if the stock price appreciates from the option grant price.
  - A balance of time-vesting and performance-vesting long-term incentives and varied performance measures mitigate against taking short-term risks and aligns management with longer-term shareholder interests. In addition, PSUs are subject to a minimum Adjusted EBITDA threshold (set at the time of grant) that must be achieved in order for the PSUs to pay out.
- Significant Portion of Pay “At Risk” and Pay Subject to Performance**
- A significant portion of NEO and executive compensation is at “at-risk” through the AIP and long-term incentive plans, which provides for a strong pay-for-performance relationship.
- Policy against Hedging**
- No NEO is permitted to purchase financial instruments (such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities either granted as compensation (as a result of any awards under the Share Unit Plan or any previous compensation arrangements) or held directly or indirectly by the NEO.
  - The policy prohibits NEOs from hedging their equity-based compensation to ensure the intended alignment between NEO and shareholder interests.
  - In addition, executives who are also “insiders” are prohibited to exercise their Options during blackout periods.
- Executive Incentive Compensation Recoupment Policy**
- The Board has implemented a policy to permit the recoupment of compensation paid to the CEO and the CFO in the case of misconduct by those officers in certain circumstances.

By implementing practices to identify and mitigate the possible risks associated with its compensation policy and structure, the HRCC is able to identify any unmitigated risks associated with the compensation policies and programs that are reasonably likely to have a material adverse effect on us.

*Power of Board or HRCC to Exercise Discretion*

In limited circumstances, the Board or the HRCC have the authority to exercise discretion to reduce or increase the size of any compensation award or payout due to a NEO.

- In addition, pursuant to the provisions of the Share Unit Plan, the HRCC has discretion and authority with respect to any and all designations, determinations, interpretations, and other decisions under or with respect to any award under the Share Unit Plan or with respect to the vesting or settlement of any award under the Share Unit Plan in the event of any resignation, termination, change in control, death, disability or retirement which may affect the NEO. This discretion includes the ability to vest and settle an award of RSUs or PSUs absent the attainment of the relevant time of service or performance goal.
- Finally, pursuant to the provisions of the AIP, the HRCC has discretion and authority regarding any and all designations, determinations, interpretations, and other decisions with respect to any award under the AIP which may affect the NEO, including without limitation in the event of any resignation, termination, change in control, death, disability or retirement.

### Summary Compensation Table

The following table summarizes the compensation we paid to our Named Executive Officers for the financial year ending October 31, 2018, October 31, 2017, and October 31, 2016:

Name and principal position	Year	Salary (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) <sup>(3)</sup>	Total Compensation (\$)
					Annual incentive plans <sup>(2)</sup>	Long-term incentive plans			
Peter Mabson, . . . . . <i>President and Chief Executive Officer</i>	2018	295,000	—	—	—	47,621	—	15,835	358,456
	2017	295,000	—	—	—	30,406	—	14,113	339,519
	2016	289,628	480,841	358,659	—	—	—	—	1,129,128
Sean Maybee, . . . . . <i>Chief Financial Officer and Secretary</i>	2018	242,000	—	—	—	36,010	—	21,457	299,468
	2017	242,000	—	—	—	15,203	—	19,834	277,037
	2016	236,333	197,728	189,143	—	—	—	11,775	634,979
David Martin, . . . . . <i>VP Global Sales and Marketing</i>	2018	223,413	—	—	—	11,906	—	8,875	244,194
	2017	223,413	—	—	—	7,602	—	7,183	238,198
	2016	221,844	61,512	151,610	—	—	—	117	435,083
Margaret Browning, . . . <i>VP Maritime Systems<sup>(4)</sup></i>	2018	246,985	—	—	—	20,613	—	12,349	279,947
	2017	262,355	—	—	—	5,069	—	1,761	269,185
	2016	255,842	129,018	153,098	—	—	—	8,955	546,913
Peter Dorcas, . . . . . <i>VP Business Development</i>	2018	196,000	—	—	—	16,962	—	11,527	224,490
	2017	196,000	—	—	—	3,042	—	10,451	209,493
	2016	—	—	—	—	—	—	—	—

Notes:

- (1) Amounts represent the actual base salary paid for the years ending October 31, 2018, October 31, 2017 and October 31, 2016.
- (2) Actual payments depend upon the achievement of performance goals and will, if applicable, be paid in cash in the year following the fiscal year in respect of which they are earned. There were no payouts in relation to the results of fiscal 2018, fiscal 2017 or fiscal 2016.
- (3) None of the NEOs are entitled to perquisites or other personal benefits which, in the aggregate are worth over \$50,000 or over 10% of their base salary. The NEOs are eligible to participate in the Corporation's matching RRSP program, whereby the Corporation matches the NEO's contributions to the RRSP in an amount up to 5% of such NEO's salary.
- (4) Ms. Browning resides in the United States and is paid in US dollars. US dollar amounts have been translated to Canadian dollar amounts using the exchange rates in effect on payroll dates during the fiscal year ended October 31, 2018, October 31, 2017 and October 31, 2016.

## Incentive Plan Awards

### Outstanding Option-Based and Share-Based Awards

The following table sets out for each of our NEOs information concerning all option-based and share-based awards outstanding as of October 31, 2018. The exercise price per option issued in connection with the closing of a spinout of the Corporation that occurred on February 4, 2016 (the “**Spinout Transaction**”) was \$6.50 per Common Share.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#) <sup>(1)</sup>	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#) <sup>(3)</sup>	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 (\$)
Peter Mabson . . . . .	271,711	6.50		—	69,231	74,077	—
Sean Maybee . . . . .	143,290	6.50		—	11,539	12,347	—
David Martin . . . . .	123,381	6.50	February 4, 2024	—	4,014	—	—
Margaret Browning . . . . .	121,667	6.50		—	16,190	12,347	—
Peter Dorcas . . . . .	89,524	6.50		—	15,158	12,347	—

Notes:

- (1) In fiscal 2016, the NEOs received 3 years’ worth of stock option grants at the closing of the Spinout Transaction. Unexercised Options for the NEO include 3 years’ worth of stock option grants and previously issued UARs converted option grants at the closing of the Spinout Transaction.
  - (a) Mr. Mabson and Mr. Maybee includes the 3 years’ worth of Option grants of 271,711 and 143,290 Options, respectively;
  - (b) Mr. Martin, Ms. Browning and Mr. Dorcas includes the 3 years’ worth of Option grants of 80,100, 92,813 and 72,211 Options, respectively; and
  - (c) Mr. Martin, Ms. Browning and Mr. Dorcas includes Options grants of 43,281, 28,854 and 17,313 Options, respectively, in exchange for previously issued UARs.
- (2) The exercise price of the Options is \$6.50 per Common Share and as such, none of the Options were in-the-money at the end of fiscal 2018.
- (3) Please refer to footnote (2) in the Summary Compensation table prior to this table in respect of share-based awards.
- (4) The market or payout value of share-based awards that have not vested is calculated based on the fiscal year end closing price of \$1.07 per Common Share.

### Value Vested or Earned During the Year

The following table sets forth information for each NEO concerning the value vested of the share-based awards during the year ended October 31, 2018.

Name	Option-based awards — Value vested during the year (\$) <sup>(1)</sup>	Share-based awards — Value vested during the year (\$)	Non-equity incentive plan compensation — Value earned during the year (\$)
Peter Mabson . . . . .	—	47,621	—
Sean Maybee . . . . .	—	36,010	—
David Martin . . . . .	—	11,906	—
Margaret Browning . . . . .	—	20,613	—
Peter Dorcas . . . . .	—	16,962	—

Note:

- (1) The value vested for option-based awards was zero because the share price was lower than the exercise price.



## *Long-Term Incentive Plans*

We believe that equity-based awards allow us to reward senior executive officers for their sustained contributions to us and align their interests with those of our long-term shareholders. We also believe that equity awards incentivize employee continuity and retention.

We adopted the Stock Option Plan and the Share Unit Plan to provide long-term equity incentives. Our Board believes that Options to purchase Common Shares, and grants under the Share Unit Plan, provide management with a strong link to our long-term performance and the creation of shareholder value. The HRCC determines the grant size and terms of awards for our NEOs to be recommended to our Board, taking into account, among other things, previous grants of Options and other equity incentives. Together, the Share Unit Plan and the Stock Option Plan are designed to align the NEOs long-term interests with those of our shareholders.

The aggregate number of Common Shares issued to insiders of the Corporation within any 12-month period, or issuable to insiders of the Corporation at any time, under the Stock Option Plan and any other security-based compensation arrangement of the Corporation, will not exceed ten percent (10%) of the total number of issued and outstanding Common Shares of the Corporation at such time. When used in this paragraph, the terms “insiders” and “security-based compensation arrangement” have the meanings ascribed thereto in the TSX rules for this purpose. Securities issued pursuant to security-based compensation arrangements prior to the closing of the Spinout Transaction are not counted toward these thresholds. Further details on the Stock Option Plan are provided below.

As of October 31, 2018, 1,057,690 Common Shares (representing 4.9% of the issued and outstanding Common Shares on a diluted basis) were subject to option grants approved under the Stock Option Plan and 1,102,860 Common Shares (representing 5.1% of the issued and outstanding Common Shares on a diluted basis) were unallocated and available for future grants of Options.

### Stock Option Plan

Our Board is responsible for administering the Stock Option Plan and the HRCC makes recommendations to our Board in respect of matters relating to the Stock Option Plan. Eligible participants in the Stock Option Plan include our NEOs, directors, executive officers, other officers and employees, as well as consultants to us. Unless otherwise determined by our Board (for example, with respect to the Options issued to senior executives at the closing of the Spinout Transaction), Options granted in any year will vest over a three-year period — 40% vesting after the first anniversary, 30% after the second anniversary, and 30% after the third anniversary from the date of grant and have a term to expiry of 6 years. The maximum term of Options issued under the Stock Option Plan is 10 years.

The aggregate number of Common Shares reserved for issuance under the Stock Option Plan as of October 31, 2018 is 2,160,550.

Under the terms of the Stock Option Plan, no single participant can be granted Options which could result in the issuance of Common Shares exceeding 5% of the issued and outstanding Common Shares within a one-year period. The number of Common Shares issuable from treasury to insiders at any time under all of our share compensation arrangements is limited to 10% of the issued and outstanding Common Shares. In addition, the number of Common Shares issued to insiders, within any single one-year period, under all of our share compensation arrangements is limited to 10% of the issued and outstanding Common Shares. Finally, the total number of Options that may be granted at any time to non-employee directors under the Stock Option Plan will not exceed 0.5% of the issued and outstanding Common Shares, and the cumulative value of all Options granted to any individual non-employee director or to any non-employee associates of such non-employee director is limited to \$100,000 within any one-year period.

The HRCC is responsible for recommending grants of Options to the Board. The HRCC submits its proposal at regularly scheduled in-person meetings of the Board (such Board meetings, the “**Option Meetings**” and each an “**Option Meeting**”) for the consideration, review, approval or disapproval of the Board as applicable. At each Option Meeting, the Board establishes the exercise price of the Options at a price which is not less than the volume weighted average trading price for the Common Shares on the TSX for the five

preceding days on which the Common Shares were traded before either: (i) the day of the Board meeting if the Board was not in possession of any undisclosed material information during its meeting, or (ii) if the Board was in possession of any undisclosed material information during its meeting (for example if the Board was in possession of a report of our quarterly earnings and this report had not been released to the public), the first business day immediately following the first full day the TSX was open for trading after the time that we publicly release such material information.

We have instituted a policy whereby members of our management are not allowed to be present during those portions of the Options Meetings when the Board votes upon the grant of Options or during those portions of the HRCC's meetings when it votes upon its recommendation to the Board with respect to Options. However, members of our management may be present during those portions of the Options Meetings when the Board discusses the HRCC's recommendation to grant Options and during those portions of the HRCC's meetings when it discusses its Options grant recommendation to the Board.

Options granted in any year will vest over a three-year period — 40% vesting after the first anniversary, 30% after the second anniversary, and 30% after the third anniversary from the date of grant and have a term to expiry of 6 years. The maximum term of Options issued under the Stock Option Plan is 10 years. Subject to the terms of an employment agreement, Options granted will expire 90 days after a person ceases to be eligible for participation in the Stock Option Plan by reason of termination for cause or resignation. Options will terminate 12 months after a person ceases to be an eligible participant by reason of retirement, death, long-term disability or termination other than for cause. Vested Options will expire 12 months after a person ceases to be eligible for participation in the Stock Option Plan by any reason other than those described in the two previous sentences. Options granted under the Stock Option Plan are not assignable.

The Stock Option Plan states that certain amendments to the Stock Option Plan may be made without obtaining approval from our shareholders including: (i) any amendments necessary to ensure that the Stock Option Plan complies with the rules of the TSX and any of applicable Governmental Body (as such term is defined in the Stock Option Plan); (ii) amendments that are of an administrative or general housekeeping nature; (iii) amendments to the definition of "Eligible Persons" under the Stock Option Plan unless such changes would expand the class of Eligible Persons; (iv) amendments to the manner in which the Stock Option Plan is administered; (v) amendments to the maximum term of Options granted pursuant to the Stock Option Plan (other than to individuals who are deemed to be Insiders (as such term is defined in the Stock Option Plan) and provided the amendment does not extend the term beyond the original expiry); (vi) amendments to the vesting provisions or to the termination provisions described in the provisions of the Stock Option Plan; and (vii) amendments to the anti-dilution provisions set out in the provisions of the Stock Option Plan, provided that in no circumstance shall dilution under all of our incentive plans be more than 10% of our outstanding shares on a non-diluted basis.

The Stock Option Plan states that the following amendments to the Stock Option Plan may only be made if approval is obtained from our Shareholders: (i) amendments to the maximum number of Common Shares that may be issued as a result of the grant of Options pursuant to the Stock Option Plan; (ii) amendments which have the effect of increasing the maximum number of securities or Options that may be granted to Insiders (as such term is defined in the Stock Option Plan), to any one eligible participant, or to the Directors (as such term is defined in the Stock Option Plan); (iii) amendments to the manner in which the exercise price of Options is determined; (iv) amendments to the provisions with respect to the transferability of Options; (v) amendments which would expand the definition of Eligible Persons; and amendments to the amending provisions of the Stock Option Plan.

As of March 11, 2019, 1,057,690 Common Shares (representing 4.9% of the issued and outstanding Common Shares on a diluted basis) were subject to option grants approved under the Stock Option Plan and 1,102,860 Common Shares (representing 5.1% of the issued and outstanding Common Shares on a diluted basis) were unallocated and available for future grants of Options.

The Corporation's annual burn rate of the options granted under the Stock Option Plan, as described in Section 613(d) of the TSX Company Manual, was 7.56% in fiscal 2016, 0% in fiscal 2017 and 0% in fiscal 2018. The burn rate is subject to change from time to time, and is calculated by dividing the number of options granted

under the Stock Option Plan during the relevant fiscal year by the weighted average number of securities of the Corporation outstanding for the applicable fiscal year.

### Share Unit Plan

Our Board is responsible for administering the Share Unit Plan and the HRCC makes recommendations to our Board in relation to the Share Unit Plan and to awards under the Share Unit Plan. Eligible participants in the Share Unit Plan include our full-time or part-time employees and may, at the discretion of the HRCC include an employee or officer who is on leave of absence from the Corporation, but does not include a probationary employee, or a temporary full-time or part-time employee.

The Share Unit Plan contemplates the granting of two types of awards: Restricted Share Units (“**RSUs**”) and Performance Share Units (“**PSUs**”, and together with RSUs, “**Share Units**”). Vesting for RSUs is based upon an employee’s continuous service to the Corporation. Vesting for PSUs is based upon the fulfillment of certain pre-defined performance criteria within a defined period. Vesting for all of the Share Units awarded to employees will occur on the third anniversary of the date of grant. Awards granted under the Share Unit Plan are not assignable. The manner of settlement for Share Units will be elected by the HRCC in its sole discretion and will be either (a) in cash, (b) through open market purchases of Common Shares on the TSX or other exchange, or (c) by the issuance of Common Shares from treasury or a combination thereof.

Holders of RSUs are entitled to accelerated vesting on a prorated portion of unvested RSUs under certain events, including termination of service by reason of death, disability, retirement. Any accelerated vesting of PSUs on termination of service will be determined by the HRCC on the award of the PSUs and may vary depending on the specific nature of the performance-based vesting condition and the proration of the unvested PSU. All Share Units terminate if an eligible participant’s employment or service terminates by reason of termination for Cause (as defined in the Share Unit Plan) or for breach of fiduciary duty.

Subject to obtaining any requisite approval from the TSX or other regulatory authority, our Board may take any one or more actions relating to Share Units including, without limitation, accelerating vesting, substituting similar securities of any acquirer for Share Units, providing for the continuation or assumption of Share Units by any acquirer, and/or other action as the Board deems fair and reasonable in the circumstances where a Corporate Event occurs. A “Corporate Event” is: (i) a merger, amalgamation, consolidation, reorganization or arrangement of the Corporation with or into another corporation (other than a merger, amalgamation, consolidation, reorganization or arrangement of the Corporation with its subsidiary, exactEarth Europe Ltd. (the “**Subsidiary**”)); (ii) the acquisition of all or substantially all of the outstanding Common Shares pursuant to a take-over bid; (iii) the sale of all or substantially all of our assets; or (iv) any other acquisition of our business as determined by the Board.

Each Share Unit granted under the Share Unit Plan entitles the participant at the end of the applicable vesting period to receive one Common Share of the Corporation at a future date provided, (i) in respect of RSUs, the participant is continuously employed by the Corporation and, in respect of the PSUs, certain pre-defined performance criteria have been fulfilled within a defined period, and (ii) all other terms and conditions of the grant have been satisfied.

Under the terms of the Share Unit Plan, no single participant or his, her or its associates can be issued securities under all of our share compensation arrangements exceeding 5% of the issued and outstanding Common Shares within a one-year period. The number of Common Shares issuable from treasury to insiders at any time under all of our share compensation arrangements is limited to 10% of the issued and outstanding Common Shares from time to time. In addition, the number of securities issued to insiders, within any single one-year period, under all of our share compensation arrangements, is limited to 10% of the issued and outstanding Common Shares from time to time. Finally, the total number of securities that may be granted at any time to non-employee directors or to non-employee associates of such non-employee directors under the Share Unit Plan will not exceed 0.5% of the issued and outstanding Common Shares, and the cumulative value of all Share Units granted to any individual non-employee director or to any non-employee associates of such non-employee director is limited to a grant value of \$150,000 within any one-year period.

The Share Unit Plan states that certain amendments to the Share Unit Plan may be made without obtaining approval from our Shareholders, including: (i) amendments to the vesting provisions described in the provisions of the Share Unit Plan; (ii) any amendments necessary to ensure that the Share Unit Plan complies with the rules of the TSX and any of applicable Governmental Body (as such term is defined in the Share Unit Plan) having authority over the Corporation, the Share Unit Plan or the Shareholders; (iii) amendments that are of an administrative or general housekeeping nature, including, without limitation, to clarify the meaning of an existing provision of the Share Unit Plan, correct or supplement any provision of the Share Unit Plan that is inconsistent with any other provision of the Share Unit Plan, correct any grammatical or typographical errors or amend the definitions in the Share Unit Plan regarding administration of the Share Unit Plan; (iv) amendments to the manner in which the Share Unit Plan is administered; and (v) any other amendment that does not require the approval of Shareholders under the Share Unit Plan.

The Share Unit Plan states that the following amendments to the Stock Option Plan may only be made if approval is first obtained from our Shareholders: (i) amendments to the maximum number of Common Shares that may be issued as a result of the grant of Share Units pursuant to the Share Unit Plan; (ii) amendments which have the effect of increasing the maximum number of securities of Share Units that may be granted to Insiders, to any one eligible participant, or to the directors (including, for greater certainty, non-employee directors); (iii) amendments to the provisions with respect to the transferability of awards; (iv) any amendment that would materially modify the eligibility requirements for participation in the Share Unit Plan; and (v) amendments to the amending provisions of the Share Unit Plan.

As of March 11, 2019, the Corporation had nil PSUs and 46,156 RSUs outstanding under the Share Unit Plan. As of the date of this Circular, the RSUs are expected to be settled in shares.

The Corporation's annual burn rate of the PSUs and RSUs under the Share Unit Plan, as described in Section 613(d) of the TSX Company Manual, was 2.83% in fiscal 2016, 0% in fiscal 2017 and 0% in fiscal 2018. The burn rate is subject to change from time to time, and is calculated by dividing the number of PSUs and RSUs granted under the Share Unit Plan during the relevant fiscal year by the weighted average number of securities of the Corporation outstanding for the applicable fiscal year.

#### Employee Share Purchase Plan

We established the ESPP to encourage our employees to invest in the Common Shares through voluntary purchases. The ESPP is a fixed plan, such that the maximum number of Common Shares that may be issued shall not exceed 432,110 Common Shares (representing two percent (2%) of the issued and outstanding Common Shares as of the completion of the Spinout Transaction on a diluted basis).

Eligible participants for the ESPP include all of our full and part-time employees. Employees are able to elect to contribute between 1% and 10% of their base earnings before bonus, commissions, or special compensation to the ESPP. We will issue one additional Common Share to the employees for every four shares purchased in the market. On March 18, 2016, we entered into an agreement with Computershare Trust Company of Canada ("**Computershare**"), as administrator agent and record keeper of the ESPP, to provide guidelines governing the purchase of Common Shares in the market (the "**Agreement**"). Pursuant to the Agreement, Computershare is responsible for receiving all contributions from the Corporation and allocating such contributions and other income or rights to the accounts of each ESPP participant.

#### **Employment Agreements and Termination and Change of Control Benefits**

We have entered into employment agreements with each of the NEOs that are currently employed by the Corporation. We believe that the terms of such employment agreements are in accordance with current market standards for agreements of a similar nature and provide for payment of severance to the NEO in the event of certain qualifying terminations of employment.

Each of the agreements for NEOs (individually referred to as the "**Executive**") contains the following provisions:

- (a) A change of control is defined as the occurrence of any of the following events (any such event, an "**Employment Change of Control**"): (i) the acquisition, directly or indirectly and by any means

whatsoever, by any person, or by a group of persons acting jointly or in concert, of outstanding shares of the Corporation sufficient to constitute the purchaser(s) as a shareholder(s) of the Corporation being entitled to exercise more than 50% of the voting rights attached to the outstanding Common Shares (provided that prior to the offer, the purchaser(s) did not own sufficient shares to control the Corporation, and did not in fact control the Corporation, as the term “control” is defined in the *Securities Act* (Ontario)), or (ii) a sale, transfer of interest, consolidation, merger, amalgamation or other business combination of the Corporation with or into any other corporation whereby the holders of Common Shares immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the voting shares of the consolidated, merged or amalgamated corporation, including a sale whereby all or substantially all of the Corporation’s undertaking and assets become the property of any other corporation.

The Executive shall not, for a period of up to two years following termination, work, directly or indirectly, in any matter whatsoever, with any person or entity that carries on a business which is the same or which competes with the business carried on by the Corporation.

*Peter Mabson, President and Chief Executive Officer*

Our CEO entered into an employment agreement (the “**Mabson Employment Agreement**”) that contains several termination provisions which collectively outline our obligations to Mr. Mabson in the event of a termination. The termination arrangements provide for payment to Mr. Mabson of an amount equal to: (i) two times his annual base salary, plus (ii) two times his average annual bonus and benefits compensation (as determined by the average for the 3 years immediately preceding the date of termination). This termination payment is obligated to be made regardless of whether Mr. Mabson secures other employment or commences self-employment. Mr. Mabson is under no obligation to attempt to secure new employment. In addition, for purposes of Mr. Mabson’s participation in the AIP, Stock Option Plan and Share Unit Plan and our benefit plans, any termination date will be extended by 24 months. In addition, the RSUs granted to Mr. Mabson at the closing of the Spinout Transaction will survive termination and will vest on the timeline established at the time of award. Any termination for “**Cause**” (as defined in the Mabson Employment Agreement) voids our payment obligations noted above. Mr. Mabson may terminate his employment by the provision of three months written notice, in which event there are no payment obligations.

The Mabson Employment Agreement also includes language which describes our obligations to Mr. Mabson in the event of an Employment Change of Control. The Mabson Employment Agreement states that in the event of a termination that results from an Employment Change in Control, we are obligated to provide for payment to Mr. Mabson of a lump sum amount equivalent to two times his base salary. In addition, Mr. Mabson is entitled to the greater of either: (a) an amount equal to two times the highest amount of the actual annual cash bonus awarded to Mr. Mabson by us in the three fiscal years immediately preceding the year in which the Employment Change in Control occurred and; (b) an amount equal to the bonus he would have been awarded under the AIP or its equivalent in effect immediately prior to the Employment Change in Control for the fiscal year in which the Employment Change in Control occurred. Customary benefits to which Mr. Mabson was entitled prior to the Employment Change in Control are continued until the earlier of the following: (i) 24 months from the date of the Employment Change in Control, (ii) Mr. Mabson finds alternate employment, or (iii) Mr. Mabson retires.

*Sean Maybee, Chief Financial Officer and Secretary*

Our CFO entered into an employment agreement (the “**Maybee Employment Agreement**”) that contains several termination provisions which collectively outline our obligations to Mr. Maybee in the event of a termination. The termination arrangements provide for payment to Mr. Maybee in the event of his termination of an amount equal to his base salary plus benefits for a period of 18 months, with one additional month added to a maximum of 24 months for each additional year of service. For purposes of Mr. Maybee’s participation in the AIP, Stock Option Plan and Share Unit Plan and our benefit plans, any termination date will be extended by 18 months. In addition, the RSUs granted to Mr. Maybee at the closing of the Spinout Transaction will survive termination and will vest on the timeline established at the time of award. Any termination for “**Cause**”

(as defined in the Maybee Employment Agreement) voids our payment obligations noted above. Mr. Maybee may terminate his employment by providing three months' notice to us.

The Maybee Employment Agreement also includes language which describes our obligations to Mr. Maybee in the event of an Employment Change in Control. The Maybee Employment Agreement states that in the event of a termination that results from an Employment Change in Control, we are obligated to provide for payment to Mr. Maybee of a lump sum amount equivalent to 1.5 times his base salary. In addition, Mr. Maybee is entitled to the greater of either: (a) an amount equal to 1.5 times the highest amount of the actual annual cash bonus awarded to Mr. Maybee by us in the three fiscal years immediately preceding the year in which the Employment Change in Control occurred or; (b) an amount equal to 1.5 times the bonus he would have been awarded under relevant incentive plans in effect immediately prior to the Employment Change in Control for the fiscal year in which the Employment Change in Control occurred. Customary benefits to which Mr. Maybee was entitled prior to the change of control are continued until the earlier of the following: (i) 18 months from the date of the Employment Change in Control, (ii) Mr. Maybee finds alternate employment, or (iii) Mr. Maybee retires.

*David Martin, Vice President — Global Sales and Marketing*

David Martin entered into an employment agreement (the “**Martin Employment Agreement**”) on July 27, 2016 that contained several termination provisions which collectively outlined our obligations to Mr. Martin upon his termination. The termination arrangements provide for payment to Mr. Martin in the event of his termination of an amount equal to his base salary plus benefits for a period of 12 months, with one additional month for every completed year of service to a maximum of 21 months. Mr. Martin is also entitled to receive payment for any unused vacation days accrued up to the date of termination. For the purposes of the AIP, Mr. Martin would be entitled to payment of all amounts payable prior to the Termination Date. Mr. Martin’s medical and dental coverage under the Benefit Plan, any short or long-term disability coverage and his participation in the Retirement Plan will continue until the earlier of any statutory notice period or the date on which Mr. Martin secures alternative employment. In addition, certain Options, PSUs and RSUs granted to Mr. Martin at the closing of the Spinout Transaction would survive termination and would vest on the timeline established at the time of award.

The Martin Employment Agreement also includes language which describes our obligations to Mr. Martin in the event of a Change in Control. The Martin Employment Agreement states that in the event of a termination that results from a Change in Control, we are obligated to provide for payment to Mr. Martin of a lump sum amount equivalent to 1.5 times his annual base salary. In addition, Mr. Martin is entitled to the 1.5 times the greater of either: (a) the highest amount of the actual annual cash bonus awarded to Mr. Martin by us in the three fiscal years immediately preceding the year in which the Change in Control occurred or; (b) an amount equal to 1.5 times the bonus he would have been awarded under relevant incentive plans in effect immediately prior to the Change in Control for the fiscal year in which the Change in Control occurred.

*Margaret Browning, Vice President — Maritime Systems*

Ms. Margaret Browning entered into an employment agreement (the “**Browning Employment Agreement**”) on July 27, 2016 that contained several termination provisions which collectively outlined our obligations to Ms. Browning upon her termination. The termination arrangements provide for payment to Ms. Browning in the event of her termination of an amount equal to her base salary plus benefits for a period of 12 months, with one additional month added to a maximum of 21 months for each additional year of service. Ms. Browning is also entitled to receive payment for any unused vacation days accrued up to the date of termination. For the purposes of the AIP, Ms. Browning would be entitled to payment of all amounts payable prior to the Termination Date. Ms. Browning’s medical and dental coverage under the Benefit Plan, any short or long-term disability coverage and her participation in the Retirement Plan will continue until the earlier of any statutory notice period or the date on which Ms. Browning secures alternative employment. In addition, certain Options, PSUs and RSUs granted to Ms. Browning at the closing of the Spinout Transaction would survive termination and would vest on the timeline established at the time of award.

The Browning Employment Agreement also includes language which describes our obligations to Ms. Browning in the event of a Change in Control. The Browning Employment Agreement states that in the event of a termination that results from a Change in Control, we are obligated to provide for payment to Ms. Browning of a lump sum amount equivalent to 1.5 times her annual base salary. In addition, Ms. Browning is entitled to the 1.5 times the greater of either: (a) the highest amount of the actual annual cash bonus awarded to Ms. Browning by us in the three fiscal years immediately preceding the year in which the Change in Control occurred or; (b) an amount equal to 1.5 times the bonus she would have been awarded under relevant incentive plans in effect immediately prior to the Change in Control for the fiscal year in which the Change in Control occurred.

*Peter Dorcas, Vice President — Business Development*

Mr. Peter Dorcas entered into an employment agreement (the “**Dorcas Employment Agreement**”) on July 27, 2016 that contained several termination provisions which collectively outlined our obligations to Mr. Dorcas upon his termination. The termination arrangements provide for payment to Mr. Dorcas in the event of his termination of an amount equal to his base salary plus benefits for a period of 12 months, with one additional month added to a maximum of 21 months for each additional year of service. Mr. Dorcas is also entitled to receive payment for any unused vacation days accrued up to the date of termination. For the purposes of the AIP, Mr. Dorcas would be entitled to payment of all amounts payable prior to the Termination Date. Mr. Dorcas’s medical and dental coverage under the Benefit Plan, any short or long-term disability coverage and her participation in the Retirement Plan will continue until the earlier of any statutory notice period or the date on which Mr. Dorcas secures alternative employment. In addition, certain Options, PSUs and RSUs granted to Mr. Dorcas at the closing of the Spinout Transaction would survive termination and would vest on the timeline established at the time of award.

The Dorcas Employment Agreement also includes language which describes our obligations to Mr. Dorcas in the event of a Change in Control. The Dorcas Employment Agreement states that in the event of a termination that results from a Change in Control, we are obligated to provide for payment to Mr. Dorcas of a lump sum amount equivalent to 1.5 times his annual base salary. In addition, Mr. Dorcas is entitled to the 1.5 times the greater of either: (a) the highest amount of the actual annual cash bonus awarded to Mr. Dorcas by us in the three fiscal years immediately preceding the year in which the Change in Control occurred or; (b) an amount equal to 1.5 times the bonus he would have been awarded under relevant incentive plans in effect immediately prior to the Change in Control for the fiscal year in which the Change in Control occurred.

**DIRECTOR COMPENSATION**

Our directors’ compensation program is designed to attract and retain qualified individuals to serve on our Board. The chart below outlines the Corporation’s director compensation program for its non-executive directors. Directors who are also officers (*i.e.* Peter Mabson) receive no remuneration as directors.

<u>Type of Fee</u>	<u>Board of Director Position</u>	<u>Fee (\$)</u>
Board Retainer . . . . .	Non-Executive Chair	60,000
	Board Member	40,000
Committee Retainer Meeting Fees . . . . .	Audit Committee Chair	10,000
	HRCC Chair	7,500
	CGNC Chair	7,500
Meeting Fees . . . . .	Board Member	Nil

### Director Compensation Table

The following table sets forth information concerning all amounts of compensation provided to the directors of the Corporation who are not members of the management of the Corporation for the year ended October 31, 2018.

Name	Cash Fees Earned (\$)	Share-based Awards <sup>(1)</sup> (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Eric Zahler . . . . .	0	60,000	—	—	—	—	60,000
Pui-Ling (Stanley) Chan . . .	5,225	9,262	—	—	—	—	14,487
Maria Izurieta . . . . .	15,000	5,000	—	—	—	—	20,000
The Honorable Dennis Kloske . . . . .	13,750	40,625	—	—	—	—	54,375
Miguel Angel Panduro Panadero . . . . .	0	40,000	—	—	—	—	40,000
Miguel Angel Garcia Primo .	0	40,000	—	—	—	—	40,000
William (Mac) Evans . . . . .	0	35,625	—	—	—	—	35,625
Harvey Rein . . . . .	0	37,500	—	—	—	—	37,500

Note:

(1) Reflects the grant date value of share-based awards granted in Q2, Q3 and Q4 of fiscal 2018 under the DSU Plan (as defined below).

Directors are required to receive a minimum of 50% of their annual board retainer in DSUs as described under the section “DSU Plan” below. Directors can elect to increase the percentage of their compensation received in DSUs above this threshold. This process helps to align the directors’ interests with our long-term interests by including equity based compensation, and introducing a “pay for performance” element to the compensation package.

All directors are entitled to reimbursement for expenses incurred by them in their capacity as directors. No director is permitted to purchase financial instruments (such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities either granted as compensation (as a result of any awards under the DSU Plan) or held directly or indirectly by the director.

### Deferred Share Unit Plan

In connection with the Spinout Transaction, we adopted the DSU Plan for directors effective February 4, 2016. The principal purpose of the DSU Plan is to promote a greater alignment of the interests of non-employee directors with the interests of our shareholders by linking their annual director compensation to the future value of the Common Shares.

Pursuant to the DSU Plan, independent directors are entitled to elect to participate in the DSU Plan. Directors must elect to receive at least 50% of their annual board retainer in DSUs. A DSU is a unit, equivalent in value to a Common Share, credited by means of a quarterly bookkeeping entry in our books, to an account in the name of the director. The number of DSUs granted to a director is determined by dividing (i) the amount the director has elected to receive as DSUs each quarter by (ii) the volume weighted average of the prices at which Common Shares traded on the TSX on the five trading days immediately preceding the date of grant.

Upon retirement from the Board, a participant has the right to elect to receive cash or payment in the form of Common Shares purchased in the open market in respect of the total number of DSUs accumulated in such participant’s account to the end of the director’s tenure as a member of the Board. Such payment can be made as soon as the director retires from the board or at such later date as the participant may elect prior to the end of such tenure, provided such later date is not later than December 1 of the calendar year following the calendar year in which the tenure ended. Directors who are U.S. taxpayers are subject to shortened election provisions.



In the event the participant elects to receive a cash payment for the DSUs, the participant will receive a cash payment equal to the number of DSUs recorded in the participant's account on the distribution date multiplied by the volume weighted average trading price of the Common Shares on the TSX on the five trading days immediately preceding the distribution date.

In the event the participant elects to receive Common Shares on the distribution date, we will purchase in the market the number of Common Shares equal to the number of DSUs in the participant's account. DSUs cannot be settled by the issuance of Common Shares from treasury.

In the event a participant dies prior to the distribution of the DSUs credited to the account of such participant, a cash payment shall be made to the estate on or about 30 days after we are notified of the death or on a later date elected by the estate provided that such elected date is no later than the last business day of the calendar year following the calendar year in which the participant dies.

***Incentive Plan Awards***

*Outstanding Share-Based Awards*

The following table sets forth information concerning the share-based awards outstanding as of October 31, 2018 for each individual who acted as director of the Corporation but who was not a member of the management of the Corporation for the year ended October 31, 2018.

<u>Name</u>	<u>Share-Based Awards</u>		
	<u>Number of shares or units that have not vested</u>	<u>Market or payout value of share-based awards that have not vested (\$)</u>	<u>Market or payout value of vested share-based awards not paid out or distributed<sup>(1)</sup> (\$)</u>
Eric Zahler . . . . .	—	—	46,183
The Honorable Dennis Kloske . . . . .	—	—	23,705
Miguel Angel Panduro Panadero . . . . .	—	—	30,789
Miguel Angel Garcia Primo . . . . .	—	—	30,789
William (Mac) Evans . . . . .	—	—	15,761
Maria Izurieta . . . . .	—	—	8,967
Harvey Rein . . . . .	—	—	14,839

Note:

(1) This amount is based on the market value of the Common Shares underlying the DSUs as at October 31, 2018 of \$0.34.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The table below summarizes information in relation to the Common Shares reserved for issuance under the equity compensation plans as of October 31, 2018. The Stock Option Plan, Share Unit Plan and ESPP are currently the only equity-based incentive plans of the Corporation under which equity securities are currently authorized for issuance from treasury.

<u>Plan</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted average exercise of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)</u>
<i>Equity compensation plans approved by securityholders</i>			
Stock Option Plan . . . . .	1,057,690	6.50	1,102,860
ESPP . . . . .	11,254	N/A	420,856
Share Unit Plan . . . . .	<u>197,517</u>	<u>N/A</u>	<u>1,963,033</u>
<i>Equity compensation plans not approved by securityholders</i>			
N/A . . . . .	<u>—</u>	<u>—</u>	<u>—</u>
<b>Total</b> . . . . .	<u><u>1,266,461</u></u>	<u><u>N/A</u></u>	<u><u>3,486,749</u></u>

### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Directors and officers participate in our director and officer insurance program. The policy limit for such insurance coverage is \$30 million in the aggregate in each policy year with no deductible for individual directors or officers and a deductible of \$100,000 for the Corporation per occurrence (except with respect to securities claims in which the deductible for the Corporation is equal to \$100,000). The annual premium is approximately \$96,850.

In addition, we have entered into indemnification agreements with our directors and officers. The indemnification agreements generally require that we indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to us as directors and officers, if the indemnitees acted honestly and in good faith and in a manner the indemnitee reasonably believed to be in our best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, if the indemnitee had reasonable grounds to believe that his or her conduct was lawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by us.

### INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of our directors, executive officers, employees, former directors, former executive officers or former employees, and none of their associates, is indebted to us or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or similar agreement or understanding provided by us, except for routine indebtedness as defined under applicable securities legislation.

### MANAGEMENT CONTRACTS

Management functions of the Corporation and its Subsidiary are not, to any degree, performed by a person or persons other than the directors or executive officers of the Corporation or its Subsidiary.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as noted below, to the best of the Corporation's knowledge, no director, senior officer or other insider, as applicable, of the Corporation, nor any associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction since the commencement of the Corporation's last financial year that has materially affected or is reasonably expected to materially affect the Corporation or its Subsidiary.

The Board of Directors reviews and approves transactions between the Corporation and a related party, such as our directors, officers, holders of more than 10% of our voting securities and their affiliates and associates, the immediate family members of any of the foregoing persons and any other persons whom the Board of Directors determines may be considered a related party. Prior to the Board of Directors' consideration of a transaction with a related party, the material facts as to the related party's relationship or interest in the transaction are disclosed to the Board of Directors, and the transaction is not considered approved by the Board of Directors unless a majority of the directors who are not interested in the transaction approve the transaction.

On December 13, 2018, as part of the completion of the Convertible Debenture Financing, MMCAP, which beneficially owned, directed or controlled 19.9% of the issued and outstanding Common Shares of the Corporation, subscribed for Convertible Debentures with an aggregate subscription price of C\$4,567,000, entitling it to acquire up to 9,134,000 Common Shares upon conversion thereof. Hisdesat, which beneficially owned, directed or controlled 26.9% of the issued and outstanding common shares of the Corporation, subscribed for Convertible Debentures with an aggregate subscription price of C\$2,000,000, entitling it to acquire up to 4,000,000 Common Shares of the Corporation upon conversion thereof. These subscriptions by each of MMCAP and Hisdesat constituted related party transactions that were duly considered and approved by the Board of Directors.

As described under "Interest of Certain Persons in Matters to Be Acted Upon—Nominating Agreements", the Corporation has entered into the Nominating Agreements with each of Hisdesat and Ewing Morris granting each of Hisdesat and Ewing Morris certain rights with respect to the nomination of directors to the Board of the Corporation. Each of Hisdesat and Ewing Morris is currently entitled to two nominees. Messrs. Panduro Panadero and Garcia Primo are the nominees of Hisdesat; only Mr. Lee Matheson is a nominee of Ewing Morris at this time.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board is of the view that maintaining effective corporate governance practices is an important factor which contributes to the general success of the Corporation. The Board has adopted specific policies regarding corporate governance, including without limitation a mandate for the Board (the "**Board Mandate**"), and charters for each of its committees, position descriptions for the roles of Chief Executive Officer, Chair of the Board and Chair of each committee, a code of business conduct, a corporate disclosure policy, an insider trading policy, and a whistleblower policy. A copy of the Board Mandate is appended as Schedule 'A'. The disclosure provided under this section of this Information Circular pertaining to these matters, is qualified in its entirety by reference to the full text thereof.

### **Board**

The Board has taken steps to ensure that adequate structures and processes are in place to permit the Board of Directors to function independently of management. The Board is of the opinion that the size of the Board is adequate and facilitates the efficiency of its deliberations, while ensuring a diversity of opinion and experience. It believes that each and every proposed director is eager to fulfil his/her obligations and assume their responsibilities in our best interests and the best interests of the Corporation's shareholders. The independent directors of the Board shall, if determined appropriate, meet independently of management after board meetings on an as-needed basis during the year.

The Board provides leadership for its independent directors through formal Board meetings, by encouraging independent directors to bring forth agenda items, and by providing independent directors with access to senior management, outside advisors, and unfettered access to information regarding our activities.

Certain directors also serve on the boards of other reporting issuers. The following table lists the involvement of our directors with other reporting issuers:

<u>Name of Director</u>	<u>Name of Reporting Issuer and Exchange</u>
Eric Zahler . . . . .	Maxar Technologies Inc. (TSX, NYSE); Monocle Acquisition Corporation (NASDAQ)
Lee Matheson . . . . .	Echelon Financial Holdings Inc. (TSX)

**Position Descriptions**

The Corporation has adopted formal position descriptions for the Chair of the Board, the Chief Executive Officer and the Chair of each committee of the Board.

***Chair of the Board and Committee Chairs***

The primary responsibility of the Chair of the Board and each Committee Chair is to provide leadership to the Board and the committees, respectively, to enhance effectiveness, including supervising management of the Corporation and overseeing the relationships between the Board, Shareholders and other stakeholders of the Corporation. The Chair, as the presiding member, must ensure that these relationships are effective, efficient and further the best interests of the Corporation.

The Chair’s key responsibilities include duties related to Board of Directors’ meetings, shareholders’ meetings, director development and communication with shareholders and regulators. The Chair also provides leadership to the Board to enhance the effectiveness by, among other things, (i) ensuring that the responsibilities of the Board are well understood by both the Board and management, and that the boundaries between the Board and management responsibilities are clearly understood and respected; (ii) ensuring that the Board works as a cohesive team; (iii) working with the Board to ensure that the resources available are adequate to support its work; and (iv) managing the Board through proper procedures and processes to ensure the Board’s efficacy and efficiency. Each committee chair’s key responsibilities include duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee. These descriptions are considered by the Board of Directors for approval annually.

Mr. Eric Zahler is the Chair of the Board.

***Chief Executive Officer***

Mr. Peter Mabson is our CEO. The primary functions of the CEO are to lead the management of our business and affairs and to lead the implementation of the resolutions and the policies of the Board of Directors. The CEO’s key responsibilities include duties relating to: (i) strategic planning, operations and development of both day-to-day operations of the business, as well as the development and maintenance of the annual business plan and operating budget; (ii) providing operational direction and stewardship by developing a corporate culture that promotes ethical practices and encourages individual integrity, while also overseeing executive management development programs and succession planning; and (iii) ensuring communications between the Corporation and major stakeholders, and interacting with the Board to provide timely strategic, operational and reporting information in accordance with good governance.

**Orientation and Continuing Education**

The Board believes that it is important to orient new directors to the operations of the Corporation’s business and their role as a director and committee member, if applicable. To this end, new directors receive an orientation to the Corporation in accordance with the Orientation and Continuing Education Program for the Board (the “OCEPB”); all new directors are expected to complete the orientation process within two quarters after the director has been appointed to the Board. All directors receive a record of public information about us, as well as other relevant corporate and business information. Senior management will make regular

presentations to the Board on the main areas of the business and the directors will have the opportunity to ask questions and tour our facilities. Additionally, the CGNC, in conjunction with our executive officers, maintains a website for the directors which contain all of the information, policies, codes, and all other relevant information about us in the form of a virtual handbook for the directors. All directors are required by the OCEPB to continue to improve their knowledgebase and their proficiency through the use of the resources available to them, including presentations from time-to-time from the Corporation's advisors.

The Corporation's management ensures that the Board has timely access to the information it needs to carry out its duties. Directors receive a comprehensive package of information prior to each Board and Committee meeting.

### **Ethical Business Conduct**

The Corporation has adopted a written code of business conduct (the "Code") for the Corporation's directors, officers, employees, and contract and temporary workers. The Code constitutes written standards that are designed to deter wrongdoing and promote, among other things: (i) ethical conduct, including the handling of actual or apparent conflicts of interest between personal and professional relationships; (ii) avoidance of conflicts of interest, including disclosure to a director or officer of the Corporation of any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest; (iii) safeguarding and preserving the use of the Corporation's property and of the Corporation's confidential information, integrity and protection of business information; (iv) maintenance of a healthy and safe work environment that is free of discrimination and harassment; (v) protection of employee privacy and personal information; (vi) dealing responsibly with persons outside the Corporation, including compliance with anti-corruption laws; (vii) compliance with other applicable governmental laws, rules and regulations; (viii) the prompt reporting of violations of the Code; and (ix) accountability and responsibility by all directors, officers, employees, and contract and temporary workers for adherence to the Code.

Each director is required to certify his or her compliance with the Code annually, and as of March 13, 2019 each director has so certified. Directors and executive officers are required by applicable law and our corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and where required by applicable law, to abstain from voting with respect to such agreement or transaction. A copy of the Code is available for review under the Corporation's Corporate Governance page at [www.exactearth.com](http://www.exactearth.com).

### **Nomination of Directors and Succession**

In fiscal 2018, the CGNC consisted of three independent directors, The Honorable Dennis Kloske (Chair), Eric Zahler and Miguel Angel Panduro Panadero. As of the date of this Information Circular, the CGNC consists of Eric Zahler (Chair), Harvey Rein and Miguel Angel Panduro Panadero. All three directors are considered to be "independent" within the meaning of NI 58-201 and Section 1.4 of NI 52-110. The CGNC is responsible for, among other things, optimizing the performance of the Board and of the directors who comprise the Board. The CGNC fulfills this responsibility by performing the following primary functions: (i) assessing the effectiveness of the Board as a whole as well as the contribution of the individual directors; (ii) assessing our governance infrastructure as well as specific governance programs implemented by us; (iii) finding and proposing new nominees to serve as our directors; and (iv) providing orientation training for new directors, as well as continuing education programs for existing directors.

To assist the CGNC's task to seek and evaluate suitable candidates to serve on the Board, the CGNC relies upon a formal nominating process (the "**Director Nominating Process**") to be approved by the Board. The Director Nominating Process will evaluate prospective directors using a series of broad categories such as: (i) enterprise leadership, (ii) industry knowledge, (iii) financial and/or legal capabilities, (iv) prior experience serving on the board of directors of other business entities, and (v) diversity.

To assist the CGNC's task in assessing the contribution of individual directors and in the creation of a more transparent, effective corporate governance culture, the Board has enacted the compensation structure for its directors. All directors are required to comply with the Duties and Expectations Charter and with the OCEPB. Any director who is unable to comply either with the Duties and Expectations Charter or with the OCEPB is expected to resign from the Board.

## **Director Tenure**

Each of the proposed directors of the Corporation will serve until the close of our next annual general meeting or until his or her successor is elected or appointed. The Board has not adopted a term limit for directors. The Board believes that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members. The Board relies on an ongoing director assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

## **Board Mandate**

The Board is responsible for the stewardship of the business and affairs of the Corporation, including, without limitation, the appointment of management, strategic planning, monitoring of financial performance, financial reporting and risk management.

The mandate of the Board is to provide oversight for the Corporation and to act in our best interests. The Board acts in accordance with the CBCA and our articles of incorporation and bylaws, as well as with other applicable laws and Corporation policies. The Board discharges its responsibilities both directly and through the work performed by the Committees. The Board has established a comprehensive set of approval authorities for the transaction of our business. The Board reviews and approves any transactions and decisions that fall within its approval mandate in advance, and reviews the results of these decisions on a regular basis. A copy of the Board Mandate is provided in Schedule “A”.

## **Compensation**

In fiscal 2018, the HRCC consisted of three independent directors, Messrs. William (Mac) Evans (Chair), Harvey Rein and Miguel Angel Garcia Primo. As of the date of this Information Circular, the HRCC consists of Messrs. Harvey Rein (Chair), Eric Zahler and Miguel Angel Garcia Primo, all of whom are also considered to be “independent” within the meaning of NI 58-201 and Section 1.4 of NI 52-110. Each of the members of the HRCC, through their previous work experience and board memberships, have the skills and experience that enable the HRCC to make decisions on the suitability of our compensation policies and practices. See also “Statement of Executive Compensation — Compensation Governance”.

## **Other Board Committees**

The Board has three committees: the Audit Committee, the CGNC, and the HRCC. The Board has established these committees to assist it in fulfilling its mandate and to satisfy various regulatory obligations. The Board oversees the establishment and operation of all of its committees and the appointment, compensation and conduct of their members. In addition to these regular committees, the Board may appoint *ad hoc* committees periodically to address certain issues.

## **Assessment**

The Board receives recommendations from the CGNC, but retains responsibility for examining its size and composition on an ongoing basis. In addition, the Board has established a process for assessing, on an ongoing basis, the performance and effectiveness of the Board as a whole and each of its committees. This process is overseen by the CGNC and takes into consideration: (i) the solicitation and receipt of comments from directors; (ii) the Board Mandate; (iii) the charter of each of the CGNC and the Audit Committee; and (iv) the performance of each individual director. The CGNC considers the performance of directors in determining whether to recommend that they be nominated for re-election. These assessments are currently done on an informal basis through discussion at committee and Board meetings due to the size of the Board and its committees.

## **Insider Trading Policy**

The Corporation's insider trading policy (the "**Insider Trading Policy**") formalizes the Corporation's policy on trading in its securities by directors, senior executives and employees and other insiders in accordance with securities laws and regulations. The Insider Trading Policy sets out prohibited trading activities, establishes guidelines for identifying our insiders and describes reporting requirements applicable to insiders.

Under our Insider Trading Policy, our directors, officers and employees are not be permitted to purchase financial instruments to hedge or offset a decrease in the market value of our securities granted as compensation.

The Insider Trading Policy permits, in the sole discretion of the Board, officers and directors to trade during blackout periods or during a time when such officer or director is in possession of material undisclosed information, provided that such officers or directors have entered into an automatic share disposition plan or automatic share purchase plan governing such trades on terms and conditions satisfactory to the Board and that are in accordance with the guidelines of the applicable laws and regulations.

## **Diversity**

The Corporation encourages and values diversity in the composition of the Board and requires periodic review of the composition of the Board as a whole to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of diversity, knowledge, experience, skills and expertise required for the Board as a whole. Accordingly, while the Board has not adopted a written policy or targets relating to the identification and nomination of women directors, the Board does take into consideration a nominee's potential to contribute to diversity within the Board. Given that diversity is part of determining the overall balance, which includes gender, the Board has not adopted a gender specific policy target.

If elected at the Meeting, the Board will be comprised of six male directors (100%) and zero female directors (0%). Our hiring practices include consideration of diversity across a number of areas, including gender. We do not have a target number of women executive officers. Given the small size of our executive team, the Corporation believes that implementing targets is not appropriate at this time. However, in our hiring practices, we consider the level of representation of women in executive officer positions.

## **Whistleblower Policy**

In an effort to ensure that channels for reporting violations are as accessible as possible, the Corporation has an ethics telephone line and e-portal to allow employees to confidentially report any concerns on-line. This portal is also open to any of the Corporation's suppliers and other third parties. All reporting options are managed by an independent service provider. Any reported concerns are logged in an anonymous and confidential case, which depending on the parties involved will be routed by ConfidenceLine to independent senior employees. Concerns can include a range of matters such as fraud, theft, bribery, cyber security and general security concerns, health & safety concerns, discrimination, substance abuse, workplace violence, harassment, conflicts of interest, release of proprietary information, violation of laws & regulations, falsification or destruction of company books & records.

## **AUDIT COMMITTEE INFORMATION**

The Audit Committee of the Board is responsible for overseeing the integrity of our financial statements, reviewing financial reports and other financial information, recommending the appointment and reviewing and appraising the audit efforts of our external auditors, overseeing and monitoring our financial reporting processes and internal controls and procedures, our processes to manage business and financial risk and its compliance with legal, ethical and regulatory requirements and encouraging improvement of and adherence to our policies, procedures and practices.

In fiscal 2018, the Audit Committee was comprised of Harvey Rein (Chair), The Honorable Dennis Kloske and Eric Zahler. As of the date of this Information Circular, the Audit Committee is comprised of Harvey Rein (Chair), Eric Zahler and Lee Matheson. Each of the former and current members of the Audit Committee is considered "independent" and "financially literate" within the meaning of NI 52-110. For the purposes of

NI 52-110, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements. All members of the Audit Committee have experience reviewing financial statements and dealing with related accounting and auditing issues. Set out below is a description of the education and experience of each audit committee member that is relevant to the performance of his/her responsibilities as an audit committee member.

If the proposed nominees are elected, the composition of the Audit Committee will consist of the following individuals:

<u>Audit Committee Member</u>	<u>Relevant Education and Experience</u>
Harvey Rein (Chair) . . . . .	Harvey Rein was previously CFO at Loral Space & Communications Inc. and held varying senior level management positions at Loral and its predecessor companies. Mr. Rein holds a Graduate Diploma in Public Accountancy from McGill University and a Bachelor of Commerce from Concordia University. Mr. Rein is also a Certified Public Accountant in the United States and Canada. Mr. Rein currently provides consulting services, assisting clients in accounting, financial and SEC reporting, and business issues.
Eric Zahler . . . . .	Eric Zahler holds a Bachelor of Science degree in mathematics from Yale University and a law degree from Harvard Law School. He was President and Chief Operating Officer of Loral Space & Communications Inc., a global satellite communications services provider and a manufacturer of commercial satellites.
Lee Matheson . . . . .	Lee Matheson is currently a partner at Ewing Morris, a value driven Canadian investment boutique firm. He holds the Canadian Investment Manager (CIM) and Chartered Financial Analyst (CFA) designations. Mr. Matheson has previously served on the audit committees of at Medworxx Solutions Inc. and RDM Corporation.

**Audit Committee Charter**

The responsibilities, powers and operation of the Audit Committee will be set out in the charter of the Audit Committee, a copy of which is set forth in Schedule "B" attached hereto.



## External Auditor Service Fees

Fees billed by EY to us in the years ended October 31, 2018 and October 31, 2017 were \$278,229 and \$381,819, respectively, as detailed below.

	Year ended October 31, 2018	Year ended October 31, 2017
Audit fees . . . . .	\$164,229	\$233,496
Audit-related fees . . . . .	\$114,000	\$148,323
Tax fees . . . . .	Nil	Nil
All other fees . . . . .	Nil	Nil
<b>Total</b> . . . . .	<b><u>\$278,229</u></b>	<b><u>\$381,819</u></b>

*Audit fees* — Fees billed by EY were for professional services rendered for the audit of our financial statements.

*Audit related fees* — Fees billed for assurance and related services that are reasonably related to performance of the audit or review of our financial statements, but not reported as audit fees.

## SHAREHOLDER PROPOSALS

In accordance with the *Canada Business Corporations Act*, and subject to the Corporation's advance notice by-law (the "**Advance Notice By-Law**") a registered holder or beneficial owner of Common Shares that will be entitled to vote at the next annual meeting of Shareholders may submit to the Corporation, before March 29, 2019, a proposal in respect of any matter to be raised at such meeting.

The purpose of the Advance Notice By-Law is to provide shareholders, directors and management of the Corporation with a clear framework for nominating directors. The Advance Notice By-Law fixes a deadline by which holders of record of Common Shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

- (a) In the case of an annual meeting of shareholders, notice to the Corporation must be made not later than the close of business on the 30<sup>th</sup> day and not earlier than the opening of business on the 65<sup>th</sup> day prior to the date of the annual meeting. However, in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the tenth day following such public announcement.
- (b) In the case of a special meeting of shareholders (which is not also an annual meeting) called for any purpose which includes the election of directors to the Board, notice to the Corporation must be made not later than the close of business on the fifteenth day following the day on which the first public announcement of the date of the special meeting was made.

## ADDITIONAL INFORMATION

If you have any questions that are not answered by this Information Circular, or would like additional information, you should contact your professional advisors. You can also contact Computershare Investor Services Inc., the Corporation's registrar and transfer agent, at 100 University Street, 8th Floor, Toronto, Ontario, M5J 2Y1 should you have any questions regarding voting of your Shares.

Additional information relating to the Corporation is available free of charge under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.exactearth.com](http://www.exactearth.com). Financial information for the Corporation's most recently completed financial year is provided in its audited consolidated annual financial statements and management's discussion and analysis of the Corporation's

financial condition and results of operations for fiscal 2018, which is also available under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.exactearth.com](http://www.exactearth.com).

Shareholders may request copies of the Corporation's financial statements and management's discussion and analysis of the Corporation's financial condition and results of operations for fiscal 2018 and any document to be approved at the Meeting, free of charge, by contacting the Secretary of the Corporation by mail at 260 Holiday Inn Drive, Unit 30, Building B Cambridge, Ontario N3C 4E8, or by email at [investors@exactearth.com](mailto:investors@exactearth.com).

#### **APPROVAL OF THE INFORMATION CIRCULAR**

The content and transmission of this Information Circular have been approved by the Board.

Cambridge, Ontario, March 11, 2019.

By order of the Board of Directors

/s/ ERIC ZAHLER

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Eric Zahler

Chair, Board of Directors

## SCHEDULE “A” BOARD MANDATE

### EXACTEARTH LTD. MANDATE OF THE BOARD OF DIRECTORS

#### I. PURPOSE

The Board of Directors (the “**Board**”) of exactEarth Ltd. (the “**Corporation**”) is responsible for providing oversight of the management of the business. The Board shall meet regularly to review the business operations, corporate governance and financial results of the Corporation. Each director has a responsibility to attend and participate in meetings of the Board. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

#### II. COMPOSITION

The Board shall be constituted at all times of a majority of independent directors as required by applicable securities laws. Where the Chair is not independent, the independent directors will select one of their number to be appointed lead director of the Board for such term as the independent directors may determine. If the Corporation has a non-executive, independent Chair, then the role of the lead director will be filled by the non-executive Chair. The lead director or non-executive Chair will chair regular meetings of the independent directors and assume other responsibilities that the independent directors as a whole have designated.

#### III. CHAIR OF THE BOARD

The chair of the Board (the “**Chair**”) will be appointed by the Board, after considering the recommendation of the Corporate Governance and Nominating Committee, for such term as the Board may determine.

#### IV. RESPONSIBILITIES

The Board’s mandate is the stewardship of the Corporation and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

1. Assignment to the committees of directors certain areas of responsibility as follows:
  - (a) *Corporate Governance and Nominating Committee* — developing the Corporation’s approach to corporate governance of directors and related issues, and searching for and proposing new nominees to the Board;
  - (b) *Audit Committee* — developing the Corporation’s approach to financial reporting and internal controls; and
  - (c) *Human Resources and Compensation Committee* — developing the Corporation’s approach to issues relating to compensation generally, and to the compensation of the executive officers.
2. With the assistance of the Corporate Governance and Nominating Committee:
  - (a) Reviewing the composition of the Board and ensuring that it respects its independence criteria;
  - (b) Assessment, at least annually, of the effectiveness of the Board (including, without limitation, consideration of the appropriate size of the Board) as a whole, the committees of the Board and the contributions of individual directors;
  - (c) Reviewing the recommendations of the Corporate Governance and Nominating Committee regarding the compensation of the directors and other benefits conferred upon the directors;
  - (d) Ensuring that an appropriate review selection process for new nominees to the Board is in place;
  - (e) Ensuring that an appropriate orientation and continuing education opportunities program for new members of the Board is in place;
  - (f) Approving disclosure and securities compliance policies, including communications policies of the Corporation;
  - (g) Adopting procedures that seek to ensure the Board receives feedback from security holders on material issues.

- (h) Reviewing the quality of the Corporation's governance and approving changes to the Corporation's governance practices as appropriate.
- 3. With the assistance of the Audit Committee:
  - (a) Reviewing the integrity of the Corporation's internal controls and management information systems;
  - (b) Reviewing the Corporation's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Corporation's own governing documents; and
  - (c) Identification of the principal risks of the Corporation's business and ensuring that appropriate systems are in place to manage these risks.
- 4. With the assistance of the Human Resources and Compensation Committee:
  - (a) Approving all aspects of the Chief Executive Officer's (the "CEO") compensation and benefits, including the approval of the goals and objectives of the CEO and of the Corporation, and the review of the results of the evaluation of his/her performance in light of those goals and objectives;
  - (b) Approving the structure of the compensation of the executives who report directly to the CEO, including the approval of the objectives and goals of the Corporation relevant to the compensation of such executive officers;
  - (c) Succession planning (including appointing, training and mentoring senior management); and
  - (d) Approval the approach of the Corporation to compensation, generally.
- 5. The selection, appointment, monitoring, evaluation and, if necessary, the replacement of the CEO, and, on the recommendation of the CEO, the selection and appointment and, if necessary, the replacement of the other executive officers.
- 6. Approval of the annual strategic plan which takes into account, among other things, the opportunities and risks of the business, and monitoring performance against such plan. Approval of all actions, plans and decisions requiring Board approval as set out in the Corporation's policies and procedures, and, with the assistance of the Corporate Governance and Nominating Committee, the annual review of the delegation of decision-making authority through the Corporation and its subsidiaries.
- 7. Performing such other functions as prescribed by law or assigned to the Board in the Corporation's constating documents and by-laws.

Meetings of the Board will be held at least quarterly, with additional meetings to be held depending on the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. In addition, separate, regularly scheduled meetings of the independent directors of the Board will be held at which members of management are not present.

The Board will delegate responsibility for the day-to-day management of the Corporation's business and affairs to the Corporation's senior officers and will supervise such senior officers appropriately.

The Board will communicate its expectations of management through various established practices including, but not limited to, the review and approval of the Corporation's annual business plan and operating budget, the objectives of the CEO, and corporate policies, including compliance with all applicable laws and regulations.

## **V. CORPORATE SOCIAL RESPONSIBILITY, ETHICS AND INTEGRITY**

The Corporation has adopted a Code of Business Conduct and Ethics for which the Board monitors compliance. The Board will provide leadership to the Corporation in support of its commitment to corporate social responsibility, set the ethical tone for the Corporation and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and management and satisfy itself that the Chief Executive Officer and management create a culture of integrity throughout the organization.

## **VI. OTHER**

On a yearly basis, the Board will review its Charter, and where appropriate will make changes.

**SCHEDULE “B” CHARTER OF THE AUDIT COMMITTEE**  
**EXACTEARTH LTD. AUDIT COMMITTEE CHARTER**

**A. PURPOSE**

The Audit Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of exactEarth Ltd. (the “**Corporation**”) with the primary function to:

- (a) assist the Board in fulfilling its responsibilities by reviewing:
  - (i) the financial reports provided by the Corporation to any governmental or regulatory body exercising authority over the Corporation (each a “**Regulatory Body**” and collectively, the “**Regulatory Bodies**”), the Corporation’s shareholders or to the general public, and
  - (ii) the Corporation’s risk management system, and internal financial and accounting controls;
- (b) oversee the engagement of, and work performed by, any independent public accountants; and
- (c) recommend, establish and monitor procedures including, without limitation, those relating to risk management and those designed to improve the quality and reliability of the disclosure of the Corporation’s financial condition and results of operations.

**B. COMPOSITION**

The Committee shall be comprised of a minimum of three directors as appointed by the Board, each of whom will meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Corporation’s securities are listed, including National Instrument 52-110 — *Audit Committees*. In addition, each member of the Committee (a “**Member**”) will be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.

The Members of the Committee shall be elected by the Board at the meeting of the Board following each annual meeting of the shareholders, and shall serve until their successors shall be duly elected and qualified or until their earlier death, resignation or removal. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.

**C. RESPONSIBILITIES**

To fulfill its responsibilities and duties, the Committee shall:

Document Review

1. Assess the adequacy of this Charter periodically as conditions dictate, but at least annually (and update this Charter if and when as appropriate).
2. Review with representatives of management and representatives of the Corporation’s independent accounting firm the Corporation’s audited annual financial statements, Management’s Discussion & Analysis document, and annual results press release, prior to their public disclosure. After such review and discussion, the Committee shall recommend to the Board whether such audited financial statements, and Management’s Discussion & Analysis should be included in the Corporation’s Annual Report. The Committee shall also review the Corporation’s interim financial statements, Management’s Discussion & Analysis document, and interim results press releases, prior to their public disclosure, and such other financial reports and public disclosures as may be required by any other Regulatory Body.
3. Take steps to ensure that the independent accounting firm reviews the Corporation’s interim financial statements prior to their inclusion in the Corporation’s interim reports and such other financial reports and filings as may be required by any other Regulatory Body.

4. At least annually, assess the adequacy of procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosures noted in (2) above.
5. Assess the performance of the Chief Financial Officer and provide recommendations to the Chief Executive Officer and Human Resources and Compensation Committee with respect to the award of any monetary bonus, if applicable, in accordance with the Incentive Program established by the Human Resources and Compensation Committee.

#### Independent Accounting Firm

1. Be directly responsible for the selection, compensation and oversight of any independent accounting firm engaged by the Corporation for the purpose of preparing or issuing an audit report or related work. The Committee shall have the ultimate authority and responsibility to select, evaluate and, when warranted, replace such independent accounting firm (or to recommend such replacement for stockholder approval in any proxy statement).
2. Resolve any disagreements between management and the independent accounting firm as to financial reporting matters.
3. Instruct the independent accounting firm that it should report directly to the Committee on matters pertaining to the work performed during its engagement and on matters required by the rules and regulations of any applicable Regulatory Body.
4. On an annual basis, receive from the independent accounting firm a formal written statement identifying all relationships between the independent accounting firm and the Corporation. The Committee shall actively engage in a dialogue with the independent accounting firm as to any disclosed relationships or services that may impact its independence. The Committee shall take appropriate action to oversee the independence of the independent accounting firm.
5. On an annual basis, discuss with representatives of the independent accounting firm the matters required to be discussed by the rules, regulations and guidelines governing the independent accounting firm.
6. Meet with the independent accounting firm prior to the audit to review the planning and staffing of the audit, and consider whether or not to approve the auditing services proposed to be provided.
7. Evaluate the performance of the independent accounting firm and consider the discharge of the independent accounting firm when circumstances warrant. The independent accounting firm shall be ultimately accountable to the Board and the Committee.
8. Consider in advance whether or not to approve any non-audit services to be performed by the independent accounting firm, which are required to be approved by the Committee pursuant to the rules and regulations of any applicable Regulatory Body. The Committee may delegate to one or more of its Members the authority to pre-approve non-audit services but pre-approval by such Member or Members so delegated shall be presented to the full Committee at its first scheduled meeting following such pre-approval.

#### Financial Reporting Process

1. In consultation with the independent accounting firm and management, review annually the adequacy of the Corporation's internal financial and accounting controls.
2. Require the Corporation's chief executive officer and chief financial officer to submit, as required by applicable laws, and prior to the filing of the Annual Report or any interim reports, a report, dated no earlier than 10 days prior to the date of filing of the Annual Report or any interim reports, to the Committee which evaluates the design and operation of the Corporation's internal financial and accounting controls, and which discloses (a) any significant deficiencies discovered in the design and operation of the internal controls which could adversely affect the Corporation's ability to record,

process, summarize, and report financial data; and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls. The Committee shall direct the actions to be taken and/or make recommendations to the Board of actions to be taken, to the extent such report indicates the finding of any significant deficiencies in internal controls or fraud.

3. Regularly review the Corporation's critical accounting policies and accounting estimates resulting from the application of these policies, and inquire at least annually of both the Corporation's management and the independent accounting firm as to whether either has any concerns relative to the quality or aggressiveness of management's accounting policies.

### Risk Management

1. On an annual basis, review the risk profile of the Corporation, including risk tolerances, processes, accountabilities and limits of authorities.
2. On an annual basis, review management's efforts to implement an effective risk management system that is capable of providing reliable information to the Board on significant risks facing the Corporation.
3. On a quarterly basis, review management's reports on major areas of risk facing the Corporation and management's risk treatment strategies.
4. On a quarterly and annual basis, review the Management's Discussion & Analysis and Annual Report to ensure it accurately reflects the risk profile of the Corporation.
5. Consult periodically with other Committees of the Board on risk management matters within their purview.
6. Encourage an open and risk-conscious environment where the Board and management actively promote and discuss areas relating to risk management.

### Compliance

1. To the extent deemed necessary by the Committee, it shall have the authority to engage outside counsel, independent accounting consultants and/or other experts, in each case at the Corporation's expense, to review any matter under its responsibility.
2. Establish procedures for (a) receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) confidential, anonymous submissions by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
3. Investigate any allegations that any officer or director of the Corporation, or any other person acting under the direction of any such person, took any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements of the Corporation for the purpose of rendering such financial statements materially misleading and, if such allegations prove to be correct, take or recommend to the Board appropriate disciplinary action.
4. The Committee shall ensure that any options grants approved by the Board are issued at the grant date with the appropriate exercise price and the correct amount of options provided in total.
5. Review and approve hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Corporation.
6. The Committee has the authority to retain, at the Corporation's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve any such firm's fees and other

retention terms without prior approval of the Board. The Committee also has the authority to communicate directly with internal and external auditors.

### Reporting

1. Prepare, in accordance with the rules of any Regulatory Body, a written report of the Committee to be included in the Corporation's annual proxy statement for each annual meeting of shareholders.
2. Instruct the Corporation's management to disclose in its Annual Report and in any interim reports the approval by the Committee of any non-audit services performed by the independent accounting firm, and review the substance of any such disclosure.

### Conflicts of Interest

1. Review all related party transactions involving executive officers and members of the Board and, as required by any Regulatory Body, consider approval of such transactions, or recommendation for approval to the Corporate Governance and Nominating Committee of the Corporation.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles.

### **D. AUDIT COMMITTEE CHAIR**

In addition to the responsibility and specific duties as an individual director, and any other applicable charter or position description, the chair ("**Chair**") of the Committee has the responsibility and specific duties described below.

### Appointment

The Chair will be a duly elected member of the Board and be appointed by the Board as the Chair each year. The Chair will be independent as defined from time to time under applicable securities laws and will have the appropriate competencies and skills as determined by the Board.

### Responsibility

The Chair provides independent, effective leadership to the Committee and leads the Committee in fulfilling the duties set out in its Charter.

### Specific Duties

The Chair will:

1. Provide overall leadership to enhance the effectiveness of the Committee.
2. Take all reasonable steps to provide that the responsibilities and duties of the Committee, as outlined in its Charter, are well understood by the Committee members and executed as effectively as possible.
3. Foster ethical and responsible decision-making by the Committee and its individual members.
4. Provide effective Committee leadership, overseeing all aspects of the Committee's direction and administration in fulfilling the terms of its Charter.
5. With the Corporate Governance and Nominating Committee, oversee the structure, composition, membership and activities delegated to the Committee.
6. With the Corporate Governance and Nominating Committee, ensure that the Committee's composition complies with applicable law.
7. Take all reasonable steps to provide that the Committee meets at least four times annually and as many additional times as necessary to carry out its duties effectively.



8. With the other Committee members, and members of management as appropriate, establish the agenda for each Committee meeting.
9. Chair all meetings of the Committee, including closed sessions and in-camera sessions. If the Committee Chair is not present at a meeting, the Committee members present will choose a Committee member to chair the meeting.
10. Take all reasonable steps to provide sufficient time during Committee meetings to fully discuss agenda items.
11. Encourage Committee members to ask questions and express viewpoints during meetings.
12. Deal effectively with dissent, and work constructively towards arriving at decisions and achieving consensus.
13. Take all reasonable steps to ensure that the Committee meets in separate, regularly scheduled, non-management, in-camera sessions.
14. Following each meeting of the Committee, report to the Board on the activities, findings and any recommendations of the Committee.
15. Take all reasonable steps to provide that Committee materials are available to any director on request.
16. Facilitate effective communication between Committee members and management, both inside and outside of Committee meetings.
17. Have an effective working relationship with members of management.
18. Take all reasonable steps to ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently.
19. Carry out any other appropriate duties and responsibilities assigned by the Board or delegated by the Committee.

To honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this position description is delegated to the secretary, who will report any amendments to the Corporate Governance and Nominating Committee at its next meeting.

Once or more annually, as the Corporate Governance and Nominating Committee decides, this position description will be fully evaluated and updates recommended to the Board for consideration.

## SCHEDULE "C"

### SHARE UNIT PLAN AND STOCK OPTION PLAN RESOLUTION

**In order to be effective, the following ordinary resolution requires approval by a majority of the votes duly cast in person or by proxy by the Shareholders at the Meeting.**

**BE IT RESOLVED** as an ordinary resolution of the Shareholders of the Corporation that:

1. The Corporation is authorized to amend the Share Unit Plan and Stock Option Plan to reflect the changes authorized hereby;
2. The maximum number of Common Shares issuable under the Corporation's Share Unit Plan be increased by 5%, from 10% to 15% of the Corporation's total issued and outstanding Common Shares from time to time (calculated on a non-diluted basis);
3. The maximum number of Common Shares issuable under the Corporation's Stock Option Plan be increased from 2,160,550 Common Shares to 15% of the Corporation's total issued and outstanding Common Shares from time to time (calculated on a non-diluted basis);
4. The amendment provisions set out in the Stock Option Plan be amended such that certain amendments to the Stock Option Plan may be made without obtaining approval from the Corporation's Shareholders, including: (i) amendments to the vesting provisions described in the provisions of the Stock Option Plan; (ii) any amendments necessary to ensure that the Stock Option Plan complies with the rules of the TSX and any of applicable Governmental Body (as such term is defined in the stock Option Plan) having authority over the Corporation, the Stock Option Plan or the Shareholders; (iii) amendments that are of an administrative or general housekeeping nature, including, without limitation, to clarify the meaning of an existing provision of the Stock Option Plan, correct or supplement any provision of the Stock Option Plan that is inconsistent with any other provision of the Stock Option Plan, correct any grammatical or typographical errors or amend the definitions in the Stock Option Plan regarding administration of the Stock Option Plan; (iv) amendments to the manner in which the Stock Option Plan is administered; and (v) any other amendment that does not require the approval of Shareholders under the Stock Option Plan; and
5. Any one director or officer of the Corporation be and he or she is hereby authorized and directed, on behalf of the Corporation, to execute or cause to be executed, and deliver or cause to be delivered all such documents and filings and to do or cause to be done all such other acts or things as he or she may determine to be necessary or advisable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.

Notwithstanding that this resolution has been duly passed by the Shareholders of the Corporation, the board of directors of the Corporation is hereby empowered and authorized, at its discretion, to revoke this resolution in whole or in part at any time prior to it being acted upon, if the board of directors of the Corporation deems such revocation to be in the best interests of the Corporation.

**It is the intention of the Corporation proxyholders named in the accompanying form of proxy, if not expressly directed to the contrary in the proxy, to vote IN FAVOUR of the ordinary resolution authorizing the approval of the amendment to the Share Unit Plan and the Stock Option Plan.**

The logo for exactEarth features a blue arc that starts below the 'e', curves over the 'x' and 'a', and ends above the 't'. The word 'exactEarth' is written in a sans-serif font, with 'exact' in black and 'Earth' in blue. A registered trademark symbol (®) is located to the upper right of the 'h'.

exactEarth®