



NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL MEETING OF SHAREHOLDERS

OF

GOLDEN LEAF HOLDINGS LTD.

TO BE HELD ON JUNE 25, 2019

GOLDEN LEAF HOLDINGS LTD.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of Golden Leaf Holdings Ltd. (“**Golden Leaf**” or the “**Corporation**”) will be held on Tuesday, June 25, 2019 at 10:00 a.m. (Toronto time) at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2018, together with the report of the auditors thereon;
2. to fix the number of directors to be elected at the Meeting at six;
3. to elect the directors of the Corporation for the ensuing year, as more particularly described under the heading “Particulars of Matters to be Acted Upon – Election of Directors” in the Corporation’s management information circular dated May 13, 2019 (the “**Circular**”);
4. to appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year, and to authorize the directors to fix their remuneration; and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Your vote is important.

This notice is accompanied by the Circular, and either a form of proxy for registered Shareholders or a voting instruction form for non-registered Shareholders, (collectively, the “**Meeting Materials**”). Shareholders are able to request to receive copies of the Corporation’s audited consolidated financial statements and related management’s discussion and analysis (“**MD&A**”) and/or interim consolidated financial statements and related MD&A by marking the appropriate box on the enclosed financial statement request card, in the case of registered Shareholders, or return card, in the case of non-registered Shareholders. The audited consolidated financial statements of the Corporation for the year ended December 31, 2018 and related MD&A can be found under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Shareholders are invited to attend the Meeting in person or may be represented by proxy. Registered Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the form of proxy and send it to the Corporate Secretary of the Corporation, c/o TSX Trust Company (“**TSX Trust**”), 301-100 Adelaide Street West, Toronto, ON M5H 4H1, Attention: Proxy Department, or by facsimile at 416-595-9593. Electronic voting is also available for this Meeting through www.voteproxyonline.com. Votes cast electronically are in all respects equivalent to, and will be treated in, the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. Non-registered Shareholders who receive the Meeting Materials either directly from the Corporation or through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided.

The board of directors of the Corporation has, by resolution, fixed the close of business on May 9, 2019 as the record date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof. The board of directors of the Corporation has, by resolution, fixed 10:00 a.m. (Toronto time) on Friday, June 21, 2019, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment(s) or postponement(s) of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any a djournment or postponement thereof must be deposited with the Corporation’s transfer agent, TSX Trust.

DATED at Toronto, Ontario, this 13th day of May, 2019.

BY ORDER OF THE BOARD

“Karyn Barsa”

Karyn Barsa
Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Circular**”) has been prepared in connection with the solicitation of proxies by or on behalf of the management of Golden Leaf Holdings Ltd. (“**Golden Leaf**” or the “**Corporation**”) for use at the annual meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**”, or individually, a “**Shareholder**”) of common shares of Golden Leaf (the “**Common Shares**”) to be held on Tuesday, June 25, 2019, at the time and place and for the purposes set forth in the accompanying notice of Meeting (the “**Notice**”) and any adjournment or postponement thereof. References in this Circular to the Meeting include any adjournment or postponement thereof.

Unless otherwise stated, the information contained in this Circular is given as of May 13, 2019. Unless otherwise indicated herein, references to “\$”, “C\$” or “Canadian dollars” are to Canadian dollars, and references to “US\$” or “U.S. dollars” are to United States dollars.

GENERAL PROXY MATTERS

Solicitation of Proxies

The enclosed proxy is being solicited by the management of the Corporation for use at the Meeting. Proxies may be solicited by mail, telephone, email, facsimile or other electronic means. Proxies may be solicited personally by directors or regular employees of the Corporation. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of solicitation of proxies will be paid by the Corporation.

The board of directors of the Corporation (the “**Board**”) has, by resolution, fixed the close of business on May 9, 2019 (the “**Record Date**”) as the record date for the determination of the registered holders of Common Shares entitled to notice of, and to vote at, the Meeting and any adjournment(s) or postponement(s) thereof. Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject, in the case of voting by proxy, to the timely deposit of a properly completed, signed and dated proxy with the Corporation’s transfer agent, TSX Trust Company. (“**TSX Trust**”) as specified herein and in the Notice).

The Board has, by resolution, fixed 10:00 a.m. (Toronto time) on Friday, June 21, 2019, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment(s) or postponement(s) of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any adjournment(s) or postponement(s) thereof must be deposited with TSX Trust at 301- 100 Adelaide Street West, Toronto, ON M5H 4H1, Attention: Proxy Department, or by facsimile at 416-595-9593. Electronic voting is also available for this Meeting through www.voteproxyonline.com. Votes cast electronically are in all respects equivalent to, and will be treated in the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. The Chairman of the Meeting may extend or waive the proxy deadline without notice.

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

Shareholders will also receive access to a supplementary mailing list return card to be used to request inclusion on the Corporation’s supplementary mailing list for its annual and interim financial statements.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder desiring to appoint some other person or entity to represent him, her or it at the Meeting may do so by inserting such person or entity's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the Corporation's transfer agent, TSX Trust, as indicated on the envelope accompanying the form of proxy not later than the time specified in the Notice.**

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing to TSX Trust Company at 301-100 Adelaide Street West, Toronto, ON M5H 4H1 at any time up to and including the last business day preceding the day of the Meeting.

Voting of Proxies

The persons named in the form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of all the matters and resolutions described below. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.** As at the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

A proxy will not be valid unless it is signed by the registered Shareholder, or by the registered Shareholder's attorney with proof that they are authorized to sign. If you represent a registered Shareholder that is a corporation, your proxy should have the seal of the corporation, if applicable, and must be executed by an officer or an attorney, authorized in writing. If you execute a proxy as an attorney for an individual registered Shareholder, or as an officer or attorney of a registered Shareholder that is a corporation, you must include the original or notarized copy of the written authorization for the officer or attorney with your proxy form.

Non-Registered Holders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder who is not a registered Shareholder (a "**Non-Registered Shareholder**") are registered either: (i) in the name of an intermediary with whom the Non-Registered Shareholder deals in respect of the Common Shares such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans (an "**Intermediary**"); or (ii) in the name of a clearing agency (such as CDS & Co., of which the Intermediary is a participant).

In accordance with applicable securities law requirements, the Corporation will distribute copies of the Notice, the Circular, a Voting Instruction Form (as defined below) and the supplemental mailing list return card (collectively, the "**Mailed Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders. Objecting Non-Registered Shareholders have objected to their Intermediary disclosing ownership information about themselves to the Corporation. The Corporation does not intend to pay for Intermediaries to deliver the Mailed Materials to objecting Non-Registered Shareholders, and accordingly an objecting Non-Registered Shareholder will not receive the Mailed Materials unless the Intermediary of the objecting Non-Registered Shareholder assumes the cost of delivery.

If you are a non-objecting Non-Registered Shareholder, and the Corporation or its agent has sent the Mailed Materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the

Intermediary holding the Common Shares on your behalf. The Corporation has elected to send the Mailed Materials directly to non-objecting Non-Registered Shareholders through the services of TSX Trust.

Non-Registered Shareholders will be given, in substitution for the proxy otherwise contained in the proxy-related materials, a request for voting instructions (the “**Voting Instruction Form**”) which, when properly completed and, if applicable, signed by the Non-Registered Shareholder and returned to the Intermediary or the Corporation, as applicable, will constitute voting instructions which the Intermediary or the Corporation, as applicable, must follow. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives the Voting Instruction Form wish to vote at the Meeting in person (or have another person attend the vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should so indicate in the place provided for that purpose in the Voting Instruction Form and a form of legal proxy will be sent to the Non-Registered Shareholder. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. If you have any questions respecting the voting of Common Shares held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance.

Notice and Access

Public companies are permitted to advise their shareholders of the availability on an easily accessible website of all proxy-related materials to be delivered to shareholders, rather than the Corporation being required to mail physical copies of the materials.

The Corporation has decided to deliver its meeting materials to Shareholders by posting them at <https://docs.tsxtrust.com/2127>. The meeting materials will be available on or about May 23, 2019 and will remain on the website for one full year. The Circular will also be available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com on or about May 23, 2019.

The Corporation has decided to mail paper copies of the Circular to those registered and non-registered Shareholders who had previously elected to receive paper copies of the Corporation’s meeting materials. All other Shareholders will receive a “notice and access” notification which will contain information on how to obtain electronic and paper copies of the Circular in advance of the Meeting and for a full year following the Meeting.

Quorum

A quorum of Shareholders is required to transact business at the Meeting. Pursuant to the by-laws of the Corporation, the quorum requirement for the Meeting will be satisfied and the Meeting will be properly constituted where there are at least two persons, present in person or represented by proxy, at the Meeting, each of whom is entitled to vote at the Meeting and who hold in the aggregate at least 5% of the issued and outstanding Common Shares entitled to be voted at the Meeting.

Voting Securities and Principal Holders Thereof

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As of May 9, 2019, the Record Date, the Corporation had 589,140,902 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at May 9, 2019, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the Common Shares.

Interest of Certain Persons or Companies in Matters to be Acted Upon

No (a) director or executive officer of the Corporation who has held such position at any time since January 1, 2018; (b) proposed nominee for election as a director of the Corporation; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

Overview of the Business and Corporate Structure

The Corporation was incorporated on April 12, 2011 as “Longacre Resources Inc.” (“**Longacre**”) under the *Business Corporations Act* (British Columbia). Golden Leaf Holdings Inc. (“**GLHI**”) was incorporated on April 8, 2014 under the *Business Corporations Act* (Ontario) (“**OBCA**”).

On October 6, 2015, Longacre was continued under the OBCA as “Golden Leaf Holdings Ltd.” and completed a reverse take-over with GLHI (the “**RTO**”). Pursuant to the RTO, the Corporation acquired all of the issued and outstanding shares of GLHI pursuant to a three-cornered amalgamation, whereby (i) Longacre incorporated 2470251 Ontario Inc. (“**Subco**”), a new wholly-owned Ontario subsidiary of Longacre; (ii) the Corporation issued one Common Share in exchange for each common share of GLHI then held by GLHI shareholders; and (iii) Subco amalgamated with GLHI to form an amalgamated subsidiary of the Corporation. Upon completion of the RTO, former shareholders of GLHI became shareholders of the Corporation, the former directors and officers of Longacre resigned and new directors and officers of the Corporation were appointed, and the Corporation assumed the business operations of GLHI.

The Common Shares trade on the Canadian Securities Exchange under the symbol “GLH”. The Common Shares also trade on the OTCQX[®] operated by OTC Markets Group Inc. under the symbol “GLDFF” and on the Börse Frankfurt under the symbol “9GL”.

The registered and head office of the Corporation is located at 95 Richmond St. East, Toronto, Ontario, M5C 2C5 and its principal place of business is located at 13315 NE Airport Way, Suite 700, Portland, Oregon, 97230.

Further information about Golden Leaf can be found under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com and on the Corporation’s website at www.goldenleafholdings.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2018, together with the report of the auditors thereon, have been approved by the Board and will be presented at the Meeting. No vote of the Shareholders is required with respect to this item of business.

Election of Directors

The Board presently consists of seven directors and has fixed the number of directors for election at the Meeting at six. The Board has nominated six individuals to stand for election as directors. [All six of the nominees are currently directors of the Corporation. Each elected director will hold office until the next annual meeting of Shareholders, or any postponement(s) or adjournment(s) thereof, unless his office is earlier vacated or until his successor is elected or appointed. Each of the nominees has confirmed his willingness to serve on the Board for the next year.

Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the election of the six director nominees.

The following table sets forth information about each director nominee, including (i) his province or state and country of residence; (ii) the period during which each has served as a director; (iii) membership on committees of the Board; (iv) principal occupation, business or employment over the past five years; and (v) the number of Common Shares beneficially owned, controlled or directed, directly or indirectly by each nominee. In addition, below are the biographies of each Nominee.

Information regarding the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominees not being within the knowledge of the Corporation, is based upon information furnished by the respective nominee and is as at the date hereof.

Name and Residence	Position with the Corporation and Period Served as a Director	Principal Occupation	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Bob McKnight California, United States	Director since June 28, 2017	Retired; part-time consultant	nil ⁽¹⁾
Rick Miller Oregon, United States	Director since April 24, 2018	Founder and served as chairman of the Avamere Group and is presently CEO, serves on the boards of Diabetomics, Nemamatrix, Oregon Health Care Association and Golden Leaf Holdings, Ltd.	7,835,968 ⁽²⁾
John Varghese Ontario, Canada	Director since June 25, 2018	Businessman; Corporate director	530,400 ⁽³⁾
Alexander Winch Ontario, Canada	Director since October 3, 2016	Businessman; retired hedge fund owner	1,200,000 ⁽⁴⁾
Larry Martin New York, United States	Director since January 26, 2019	Businessman, Board Member, Patent Attorney	nil ⁽⁵⁾
Gary Zipfel Illinois, United States	Director since June 28, 2017	President, Studio Z Investment LLC; consultant	29,553,627 ⁽⁶⁾

Notes:

- ⁽¹⁾ Mr. McKnight also holds 2,250,000 stock options exercisable at C\$0.21 per share and 1,250,000 stock options exercisable at C\$0.22 per share.
- ⁽²⁾ Mr. Miller also holds 2,250,000 stock options exercisable at C\$0.26 per share and 1,250,000 stock options exercisable at C\$0.22 per share.
- ⁽³⁾ Mr. Varghese also holds 3,500,000 stock options exercisable at C\$0.22 per share, 357,142 common share purchase warrants exercisable at C\$0.37 per share, 555,600 common share purchase warrants exercisable at C\$0.55 per share, 16,650 common share purchase warrants exercisable at C\$0.40 per share, and C\$10,000 of convertible debentures convertible to common shares at C\$0.30 per share..
- ⁽⁴⁾ Mr. Winch also holds 200,000 stock options exercisable at C\$0.30 per share and 2,250,000 stock options exercisable at C\$0.21 per share and 1,250,000 stock options exercisable at C\$0.22 per share.
- ⁽⁵⁾ Mr. Martin also holds 3,500,000 stock options exercisable at C\$0.115 per share
- ⁽⁶⁾ Mr. Zipfel also holds 1,750,000 stock options exercisable at C\$0.21 per share, 1,750,000 stock options exercisable at C\$0.22 per share, 714,000 common share purchase warrants exercisable at C\$0.21 per share, 1,785,750 common share purchase warrants exercisable at C\$0.28 per share, 166,500 common share purchase warrants exercisable at C\$0.40 per share , C\$750,000 of convertible debentures convertible to common shares at C\$0.21 per share and C\$100,000 of convertible debentures convertible to common shares at C\$0.30 per share.

Director Nominee Biographies

Bob McKnight

Mr. McKnight co-founded Quiksilver, Inc. in 1976 and has served as the company's President, CEO and Chairman of the board of directors from its inception until 2015. Under his watch, Quiksilver grew from a startup to a worldwide corporation with revenues of \$2.5 billion. Today, Quiksilver is a globally diversified, world leader in outdoor lifestyle apparel with their three main brands of Quiksilver, Roxy and DC. Quiksilver, Inc. has over 5000 employees, operates in over 100 countries and has close to 700 retail stores in the world. Today, Mr. McKnight serves as a consultant and ambassador to the company, and manages the Quiksilver Foundation.

Rick Miller

Mr. Miller is a seventh-generation Oregonian with a prominent local presence as an entrepreneur, highlighted by his co-founding of Rogue Venture Partners, a private equity firm that provides funding and mentorship to other entrepreneurs in Oregon. He was also a founder and serving as CEO of the Avamere Group, one of the Northwest's largest senior care and housing providers. Mr. Miller currently serves on the boards of Diabetomics, Nemametrix, Oregon Health Care Association and Golden Leaf Holdings, Ltd. Mr. Miller previous served as chairman of Portland State University Board of Trustees, Oregon Investment Council, Oregon Health Care Association, American Health Care Association and the Portland-based chapter of the Young Presidents Organization.

Larry Martin

Mr. Martin is a successful CEO and entrepreneur, with a unique background which includes over 39 years of domestic (i.e., United States) and international business experience in more than 11 different industries, including outdoor hospitality lifestyle, consumer branding, real estate and the medical industry. Mr. Martin also brings years of experience in FDA regulatory matters. Mr. Martin has served in various capacities, including CEO, COO, Board Member, General Counsel and Patent Counsel with a variety of companies he has been involved with, including Field & Stream Licenses Company, LLC (which he founded), Eveia Medical, Inc., TNI Biotech, Inc., eMAX Health Systems LLC, US Summit Company, and Neuromed, Inc. Mr. Martin presently serves as a member of the Board of Advisors for Aaron Capital and on the Board of 360, Inc. and the ATT Project, Inc.

John Varghese

Mr. Varghese is currently President and CEO of a private software company in the Fintech space that operates globally. Mr. Varghese's professional experience ranges from private equity, venture capital and investment banking to senior management and board of director roles in various industries in both public (TSX and NASDAQ) and private companies. Mr. Varghese has a deep background in mergers and acquisition, investing, operations and the capital markets. Having held CEO, COO, SVP and CFO positions, his career has included senior management roles within multi-national corporations including Quarterhill Inc., CI Financial Corp., Royal Bank Capital Corporation, Midland Walwyn Capital Inc. (Merrill Lynch Canada), Dell Computer Corporation and Jim Pattison Industries Ltd. He has served on over 20 boards, acting as Chairman on 6 of those, as well as chairing multiple compensation committees and participating on numerous audit committees.

Alexander David Winch

Mr. Winch has worked on Bay Street in Toronto, Ontario as a stock market analyst with McCarthy Securities, Davidson Partners and Sprott Securities. He then launched and ran a private stock market research company, selling independent research on Canadian publicly traded companies to US hedge funds. Seeing an underserved opportunity, Mr. Winch launched a Canadian hedge fund in 1990, one of the first in Canada, and began managing US private accounts. In 1993, he set up an office in New York City and launched a US hedge fund serving US investors but focused on Canadian publicly traded companies. He retired on performance fees at the age of 31, and has since been managing his own capital. He has joined boards of directors and served as Chairman of a publicly-traded casino company, Thunderbird Resorts, founded and ran a private solar thermal Power Purchase Agreement company which saw installation of large solar thermal installations in Toronto including the Hospital for Sick Children, and served as Chairman of a private renewable energy monitoring company, Sunreports Inc.. Currently, Mr. Winch is a private investor in real estate and publicly-traded equities. Mr. Winch holds a Bachelor of Science in Engineering Physics from Queen's University and is a CFA Charterholder.

Gary Zipfel

Mr. Zipfel serves as capital partner and board-level advisor for start-up stage companies, providing business planning, strategic direction, and scenario analysis. Mr. Zipfel has worked with companies from a diverse array of industries including cannabis, vertical green space appliances, mountain-home design and construction, commercial real estate, bicycle parts design and manufacturing, digital advertising, jet engine repair, healthcare notification systems, restaurants, and breweries. Prior to becoming a start-up investor, Mr. Zipfel spent 15 years in the global financial markets as a technologist and technology leader.

Corporate Cease Trade Orders

No proposed director of the Corporation is, as at the date hereof, or has been, within 10 years before the date hereof, 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 that was 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 that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies and Other Proceedings

No proposed director of the Corporation is, as at the date hereof, or has been within 10 years prior to the date hereof, 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.

Other than Mr. Varghese, no proposed director of the Corporation has, within the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director. On April 28, 2017, Mr. Varghese filed a commercial proposal under the *Bankruptcy and Insolvency Act* (Canada). On December 5, 2017, the Ontario Superior Court of Justice approved the proposal. As of May 13, 2019, Mr. Varghese remains subject to the proposal proceedings.

Penalties and Sanctions

No proposed director of the Corporation has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important in deciding whether to vote for a proposed director.

Appointment of Auditors

Dale Matheson Carr-Hilton Labonte LLP, Vancouver, BC, are the current auditors of the Corporation and were first appointed as auditors of the Corporation by the Board on November 1, 2018.

In accordance with National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”), attached hereto as Appendix “B” is a copy of the reporting package (as defined in NI 51-102) filed by the Corporation with securities regulators on November 1, 2018.

The reporting package is comprised of (i) the change of auditor notice (the “**Change of Auditor Notice**”) containing the information required by NI 51-102; (ii) the letter provided by Jackson & Company, former auditors of the Corporation, acknowledging and confirming the Change of Auditor Notice; and (iii) the letter provided by Dale Matheson Carr-Hilton Labonte LLP, the current auditors of the Corporation, acknowledging and confirming the Change of Auditor Notice. The Change of Auditor Notice confirms that there have been no reservations contained in the auditor’s reports on the financial statements for the Corporation’s last two fiscal periods, that the Board requested the resignation of Jackson & Company to facilitate the appointment of Dale Matheson Carr-Hilton Labonte LLP and that there were no reportable events (as defined in NI 51-102) in connection with Jackson & Company’s audits of the Corporation, which occurred prior to its resignation.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as auditors of the Corporation until the close of the next annual meeting of Shareholders and to authorize the Board to fix their remuneration.

CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance to the effective management of the Corporation and to the protection of its stakeholders, particularly Shareholders. The Corporation's approach to issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly and through the Audit Committee at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation's operations at regular meetings, or as otherwise required and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks that the Corporation faces.

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below, in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

The Board of Directors

Pursuant to National Instrument 52-110 – *Audit Committees ("NI 52-110")*, a director is considered independent if he or she has no direct or indirect material relationship with the Corporation that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. NI 52-110 sets out certain situations where a director is deemed to have a material relationship with the Corporation.

The Board is currently comprised of seven directors, four of whom are independent within the meaning of NI 52-110. Messrs. Miller, Winch, Martin, and McKnight are independent directors. Mr. Zipfel has two properties that the Corporation leases from Mr. Zipfel at market rates. Mr. Varghese received compensation for consulting services from the Corporation in 2018 in excess of C\$75,000 and is not considered independent. Mr. Saladino has decided not to seek re-election to the Board.

Other Public Company Directorships

No members of the Board currently hold directorships in other reporting issuers.

Independence of the Board

The independent directors did not hold any separate regularly scheduled meetings during the fiscal year ended December 31, 2018, at which non-independent directors and members of management were not in attendance. However, at various Board meetings throughout 2018, there were meetings where the Board believed a conflict of interest could arise or where it was otherwise appropriate to have directors or management recuse themselves. The board also regularly holds "in-camera" sessions after each board meeting. To facilitate open and candid discussion among the independent directors and enhance its ability to act independently of management, the Board will in the future meet in the absence of non-independent directors and members of management or may continue to excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

Orientation and Continuing Education

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Corporation has developed an orientation program for new directors but not a formal continuing education program for existing directors. Nevertheless, through discussions and meetings with other directors, officers and employees, new directors will be provided with a thorough description of the Corporation's business, properties, assets, operations and strategic plans and objectives. Orientation activities continue to be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

As part of its responsibility for the stewardship of the Corporation, the Board seeks to foster a culture of ethical conduct by requiring the Corporation to carry out its business in line with high business and moral standards and applicable legal and financial requirements.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to employees, consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of honesty, integrity and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Board takes steps to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or an employee or consultant of the Corporation has a material interest, which include ensuring that such individuals are familiar with rules concerning reporting conflicts of interest and obtaining direction from the Board or a member of senior management of the Corporation regarding any potential conflicts of interest.

The Board has adopted a written Code of Business Conduct and Ethics (the “**Code**”). The Code has been filed with regulators, in accordance with applicable legislation, and is available under the Corporation’s profile on SEDAR at www.sedar.com.

Nomination of Directors

In order to facilitate the process for the nomination of directors and identification of new candidates for appointment to the Board, the Board has established a nominating and corporate governance committee (the “**Nominating and Corporate Governance Committee**”).

In collaboration with the Board, the Nominating and Corporate Governance Committee is responsible for the nomination of directors and identifying new candidates for appointment to the Board. In that regard, the Nominating and Corporate Governance Committee is also responsible for identifying the competencies and skills required for nominees to the Board, with a view to ensuring that the Board is comprised of directors with the necessary skills and experience to facilitate effective decision-making. In collaboration with the Board, the Nominating and Corporate Governance Committee may retain external consultants or advisors to conduct searches for appropriate potential director candidates if necessary.

The Nominating and Corporate Governance Committee considers its size each year when it determines the number of directors to be nominated for election. The criteria for selecting new directors reflects the requirements of the listing standards of the Canadian Securities Exchange (“**CSE**”) with respect to independence and the following factors:

- (i) the appropriate size of the Board;
- (ii) the needs of the Corporation with respect to the particular talents and experience of its directors;
- (iii) the personal and professional integrity of the candidate;
- (iv) the level of education and/or business experience of the candidate;
- (v) the broad-based business acumen of the candidate;
- (vi) the level of the candidate’s understanding of the Corporation’s business and the industry in which it operates and other industries relevant to the Corporation’s business;
- (vii) the ability and willingness of the candidate to commit adequate time to the Board and committee matters;
- (viii) the fit of the individual’s skills and personality with those of other directors and potential directors so that the Board is effective, collegial and responsive to the needs of Golden Leaf;
- (ix) the candidate’s ability to think strategically and a willingness to share ideas; and
- (x) the diversity of experiences, expertise and background of the Board as a whole.

The Nominating and Corporate Governance Committee is presently comprised of Messrs. McKnight (Chair), Winch and Saladino. See “Board Committees” below.

Compensation

In order to facilitate the process for the determining the compensation of directors and executive officers of the Corporation, the Board has established a compensation committee (the “**Compensation Committee**”).

In collaboration with the Board, the Compensation Committee is responsible for determining the compensation of directors and the Chief Executive Officer, and for reviewing the Chief Executive Officer’s recommendations regarding compensation of the other executive officers of the Corporation. The Compensation Committee generally reviews compensation paid to directors and chief executive officers of companies of a similar size and stage of development and in the same or similar industries as the Corporation operates in, and determines appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers of the Corporation while taking into account the financial and other resources of the Corporation. No formal benchmarking has been established given the size and stage of the Corporation. However, board members are presently compensated with the grant of options for 3.5 million Common Shares pursuant to the Corporation’s Stock Option Plan. Options for one million shares vest immediately after a director is granted the options upon initial election as a director, options for another one million shares vest 12 months after the original date of grant provided the director is elected and serving at that time and options for 1.5 million shares vest 24 months after the original date of grant provided the director is elected and serving at that time. In setting the compensation of the Chief Executive Officer, the Compensation Committee, in collaboration with the Board, will annually review the performance of the Chief Executive Officer and consider other factors which may have impacted the success of the Corporation in achieving its objectives.

The Compensation Committee is presently comprised of Messrs. Larry Martin (Chair), McKnight and Winch.

For further details regarding the compensation of directors, as well as details regarding the Corporation’s approach to the compensation of the Chief Executive Officer and other executive officers, see “Board Committees” and “Statement of Executive Compensation” below.

Board Committees

The Board has established the Audit Committee to assist it in carrying out its mandate. The Audit Committee is currently comprised of Messrs. Winch (Chair), Varghese and Martin.

The Compensation Committee makes recommendations to the Board regarding the determination of the compensation of the directors and the Chief Executive Officer of the Corporation, and for reviewing the Chief Executive Officer’s recommendations regarding compensation of the other executive officers of the Corporation. In addition, the Compensation Committee oversees all of the Corporation’s compensation programs, pay administration, including reviewing and approving compensation adjustments for the CEO and executive officers and ensuring competitiveness of executive compensation, and other functions including oversight of executive and director stock ownership guidelines and director compensation. The Compensation Committee is currently comprised of Messrs. Martin (Chair), Winch and McKnight.

The Nominating and Corporate Governance Committee is responsible for identifying, evaluating and recommending Board candidates, evaluating Board structure and organization and reviewing and monitoring corporate governance policies and procedures. The Nominating and Corporate Governance Committee is currently comprised of Messrs. McKnight (Chair), Saladino and Winch.

The Disclosure Committee was established to oversee complete, accurate and timely disclosure of information relating to the business and affairs of the Corporation and its subsidiaries and to oversee dissemination of that information broadly. The Disclosure Committee is responsible for making recommendations to the CEO and the CFO relating to the disclosure of Material Information. The Disclosure Committee is currently comprised of Messrs. Zipfel (Chair), Saladino, Varghese, CEO and CFO Karyn Barsa and General Counsel John Magliana.

Assessments

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework. All directors and/or committee members are free to make suggestions for improvement of the practice of the Board and/or its committees at any time and are encouraged to do so.

AUDIT COMMITTEE

The Audit Committee's Charter

A copy of the Charter of the Audit Committee of the Corporation is attached as Schedule "A" to this Circular.

Composition of the Audit Committee

The Audit Committee is currently comprised of Messrs. Winch (Chair), Varghese and Martin. The Audit Committee's Charter requires that each member of the Audit Committee be considered financially literate and that a majority of the Audit Committee be independent as defined under NI 52-110. Mr. Varghese is not an independent director.

Relevant Education and Experience

A general description of the education and experience of each Audit Committee member which is relevant to the performance of their responsibilities as an Audit Committee member is contained in their respective biographies set out under "Particulars of Matters to be Acted Upon – Election of Directors".

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment or compensation of the Corporation's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

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

Exemption for Venture Issuers

Pursuant to Section 6.1 of NI 52-110, the Corporation is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditor during the years ended December 31, 2018 and 2017 are set out in the table below.

Audit Fee Category	Year Ended December 31, 2018	Year Ended December 31, 2017
Audit Fees ⁽¹⁾	\$233,880	\$554,000
Audit-Related Fees ⁽²⁾	\$47,425	\$61,544
Tax Fees ⁽³⁾	\$88,766	\$50,000
All Other Fees ⁽⁴⁾	\$159,256	\$45,000
TOTAL	\$529,327	\$710,544

Notes:

⁽¹⁾ "Audit Fees" refers to the aggregate fees billed by the Corporation's external auditor for audit fees.

⁽²⁾ "Audit-Related Fees" refers to the aggregate fees billed for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under the category Audit Fees.

⁽³⁾ "Tax Fees" refers to the aggregate fees billed for professional services rendered by the Corporation's external auditor for tax compliance, tax advice, and tax planning and assistance with tax matters or specific transactions.

⁽⁴⁾ "All Other Fees" refers to the aggregate fees billed by the Corporation's external auditor for products and services provided, other than the services reported under the other three items.

STATEMENT OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following section provides details of all compensation paid to each of the directors and named executive officers (“**Named Executive Officers**”) of the Corporation for each of the two most recently completed financial years.

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), and provides details of all compensation for each of the directors and Named Executive Officers of the Corporation for the year ended December 31, 2018.

For the purposes of this Circular, a Named Executive Officer of the Corporation means each of the following individuals:

- (a) each chief executive officer of the Corporation (“**CEO**”) during the year ended December 31, 2018;
- (b) each chief financial officer of the Corporation (“**CFO**”) during the year ended December 31, 2018;
- (c) the Corporation’s most highly compensated executive officer, other than the CEO and CFO, at the end of the Corporation’s most recently completed fiscal year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that fiscal year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that fiscal year.

The Corporation had five Named Executive Officers during the year ended December 31, 2018, namely William Kulczycki, (CEO at year end), William Simpson (Former CEO), Craig Eastwood, (CFO at year end), Eugene Hill (Former CFO), and Mike Genovese (Chief Operating Officer).

Director and Named Executive Officer Compensation – Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each current and former Named Executive Officer and director, in any capacity, for the last two years ended December 31, 2018 and 2017.

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
William Kulczycki ⁽¹⁾ <i>CEO and President (at year end)</i>	2018	13,000	50,000	Nil	Nil	Nil	63,000
	2017	NA	NA	NA	NA	NA	NA
William Simpson ⁽²⁾ <i>CEO and President (during year)</i>	2018	294,000	Nil	Nil	3,609	Nil	297,609
	2017	141,346	Nil	Nil	1,025	Nil	142,371
Craig Eastwood ⁽³⁾ <i>CFO (at year end)</i>	2018	184,808	32,500	Nil	5,812	Nil	223,120
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Eugene Hill ⁽⁴⁾ <i>CFO (during year)</i>	2018	62,308	Nil	Nil	2,104	Nil	64,412
	2017	200,000	6,688	Nil	Nil	Nil	206,688

Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of perquisites (US\$)	Value of all other compensation (US\$)	Total compensation (US\$)
Mike Genovese ⁽⁵⁾	2018	252,000	Nil	Nil	3,609	Nil	255,609
<i>Chief Operating Officer</i>	2017	121,154	Nil	Nil	7,110	Nil	128,264
Peter Saladino	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Alexander Winch	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Gary Zipfel	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Bob McKnight	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
John Varghese	2018	80,000	Nil	Nil	Nil	Nil	80,000
<i>Director</i>	2017	N/A	N/A	N/A	N/A	N/A	N/A
Rick Miller	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Michael Crooke	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2017	N/A	N/A	N/A	N/A	N/A	N/A
Gary Yeoman	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Michael Cohl	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

⁽¹⁾ Mr. Kulczycki was appointed Chief Executive Officer on December 28, 2018.

⁽²⁾ Mr. Simpson was appointed President on July 9, 2017 and appointed Chief Executive Officer on July 27, 2017. Mr Simpson ceased to be Chief Executive Officer on December 28, 2018.

⁽³⁾ Mr. Eastwood was appointed Chief Financial Officer on January 15, 2018.

⁽⁴⁾ Mr. Hill ceased to be Chief Financial Officer of the Corporation on January 15, 2018.

⁽⁵⁾ Mr. Genovese was appointed Chief Operating Officer of the Corporation on November 1, 2018.

Stock Options and Other Compensation Securities

The following table provides information regarding all compensation securities granted or issued to each Named Executive Officer and director by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries during the year ended December 31, 2018.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion, or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end ⁽¹⁾	Expiry date
William Kulczycki ⁽²⁾ <i>CEO and President (at year end)</i>	Stock Options ⁽¹²⁾	4,000,000	12/28/2018	C\$0.12	C\$0.12	C\$0.135	12/28/2028
William Simpson ⁽³⁾ <i>CEO and President</i>	Stock Options ⁽¹²⁾	1,000,000	1/24/2018	C\$0.39	C\$0.375	C\$0.135	1/24/2028
Eugene Hill <i>CFO (at year end)</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Mike Genovese ⁽⁴⁾ <i>Chief Operating Officer</i>	Stock Options ⁽¹²⁾	1,000,000	1/24/2018	C\$0.39	C\$0.375	C\$0.135	1/24/2028
Alexander Winch ⁽⁵⁾ <i>Director</i>	Stock options ⁽¹²⁾	1,250,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
Gary Zipfel ⁽⁶⁾ <i>Director</i>	Stock options ⁽¹²⁾	1,750,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
Bob McKnight ⁽⁷⁾ <i>Director</i>	Stock options ⁽¹²⁾	1,250,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
John Varghese ⁽⁸⁾ <i>Director</i>	Stock options ⁽¹²⁾	3,500,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
Rick Miller ⁽⁹⁾ <i>Director</i>	Stock options ⁽¹²⁾	2,250,000	4/24/2018	C\$0.26	C\$0.26	C\$0.135	4/24/2023
Michael Crooke ⁽¹⁰⁾ <i>Former Director</i>	Stock options ⁽¹²⁾	3,500,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
Peter Saladino ⁽¹¹⁾ <i>Director</i>	Stock options ⁽¹²⁾	1,250,000	6/29/2018	C\$0.22	C\$0.22	C\$0.135	6/29/2023
Gary Yeoman <i>Former Director</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A
Michael Cohl <i>Former Director</i>	N/A	Nil	Nil	Nil	Nil	Nil	N/A

Notes:

⁽¹⁾ Reflects the closing price of the Common Shares on the CSE on December 30, 2018.

⁽²⁾ As at December 31, 2018, Mr. Kulczycki held 4,000,000 stock options (1,000,000 vested).

⁽³⁾ As at December 31, 2018, Mr. Simpson held 40,401,268 common shares and 1,000,000 stock options, all of which had vested.

- (4) As at December 31, 2018, Mr. Genovese held 13,464,898 common shares and 1,000,000 stock options, all of which had vested.
- (5) As at December 31, 2018, Mr. Winch held 1,200,000 shares and 3,700,000 options (1,950,000 vested).
- (6) As at December 31, 2018, Mr. Zipfel held 29,553,627 common shares, 3,500,000 stock options (1,500,000 vested), 2,666,250 common share purchase warrants, and C\$850,000 of convertible debentures.
- (7) As at December 31, 2018, Mr. McKnight held 3,500,000 options (1,750,000 vested).
- (8) As at December 31, 2018, Mr. Varghese held 530,400 common shares, 3,500,000 stock options (1,000,000 vested), 929,392 common share purchase warrants, and C\$10,000 of convertible debentures.
- (9) As at December 31, 2018, Mr. Miller held 3,500,000 options (1,000,000 vested).
- (10) As at December 31, 2018, Mr. Crooke held 3,500,000 options (1,000,000 vested, but expired prior to exercise).
- (11) As at December 31, 2018, Mr. Saladino held 19,067,231 common shares, 3,500,000 stock options (1,750,000 vested), 166,500 common share purchase warrants, and C\$100,000 of convertible debentures.
- (12) Each option entitles the holder to acquire one Common Share upon exercise. Other than as set out herein, all options vest in accordance with the following vesting schedule: For further details regarding vesting and restrictions and conditions of exercise, see "Executive Compensation - Stock Option Plan and Other Incentive Plans".

Exercise of Compensation Securities by Directors and NEOs

The following table provides information regarding all compensation securities exercised by Named Executive Officers and directors during the year ended December 31, 2018.

Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security	Date of exercise	Closing price per security on date of exercise	Difference between exercise price and closing price on date of exercise	Total value on exercise date
Michael Cohl <i>Former Director</i>	Stock Options	500,000 common shares	C\$0.21	September 27, 2018	C\$0.26	C\$0.05	C\$25,000

Stock Option Plan and Other Incentive Plans

The Corporation's stock option plan (the "Stock Option Plan") provides for the grant of options to purchase Common Shares to eligible service providers of the Corporation, including the Corporation's directors, officers, employees, consultants and other eligible persons specified in the Stock Option Plan. The Stock Option Plan will be administered by the Board or a committee established by the Board for that purpose (the "Committee").

The maximum number of Common Shares that may be issued pursuant to options granted under the Stock Option Plan is equal to 10% of the total number of Common Shares issued and outstanding from time to time.

The Stock Option Plan permits a maximum of 10% of the issued and outstanding Common Shares to be issued to holders of options granted thereunder. As of May 13, 2019, 50,428,062 options are outstanding, representing approximately 8.6% of the issued and outstanding Common Shares. Accordingly, as of May 13, 2019, 8,486,028 options are available to be issued under the Stock Option Plan, representing approximately 1.4% of the issued and outstanding Common Shares.

The total number of Common Shares which may be issued or reserved for issuance to any one individual under the Stock Option Plan within any 12-month period shall not exceed 5% of the issued and outstanding Common Shares.

The maximum number of Common Shares which may be reserved for issuance to insiders under the Stock Option Plan or any other security-based compensation plans or arrangements shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). In addition, the maximum number of options which may be granted to insiders under the Stock Option Plan, together with any other previously established or proposed share compensation arrangements within any 12-month period, shall be 10% of the issued and outstanding Common Shares.

The maximum number of options which may be granted to any one consultant under the Stock Option Plan or any other security-based compensation plans or arrangements, within any 12-month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). In addition, the maximum number of options which may be granted to Investor Relations Persons (as defined in the Stock Option Plan) under the Stock Option Plan or any other security-based

compensation plans or arrangements, within any 12-month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).

The exercise price for the Common Shares under each option shall be determined by the Board or Committee, as applicable, on the basis of the Market Price. For the purpose of the Stock Option Plan, “**Market Price**” shall mean: (i) the prior trading day closing price of the Common Shares on any stock exchange on which the Common Shares are listed or the last trading price on the prior trading day on any dealing network where the Common Shares trade; or (ii) where there is no such closing price or trade on the prior trading day, shall mean the average of the daily high and low board lot trading prices of the Common Shares on any stock exchange on which the Common Shares are listed or dealing network on which the Common Shares trade for the five immediately preceding trading days; or (iii) in the even the Common Shares are not listed on any exchange and do not trade on any dealing network, the Market Price will be determined by the Board.

Unless otherwise limited by the terms of the Stock Option Plan or any regulatory or stock exchange requirement, the Board or the Committee, as applicable, shall have full and final authority to determine the terms and conditions attached to any grant of options to an eligible participant, including when such options shall become vested and exercisable. Subject to the provisions of the Stock Option Plan, the optionee may exercise any vested options, in whole or in part, at any time prior to the tenth anniversary of the date of grant or such earlier date fixed by the Board or the Committee, as applicable (the “**Expiry Date**”). All unexercised options shall expire and terminate following such Expiry Date.

In the event of the death of an optionee, vested options held by such optionee may be exercised by the personal representatives of the optionee until the earlier of (i) the date which is one year from the date of death of the optionee and (ii) the Expiry Date of the options.

If an optionee who is a service provider shall cease to be an eligible participant under the Stock Option Plan for any reason, whether or not for cause, the optionee may exercise the option, but only to the extent that such Option has vested at the date the optionee ceased to be an eligible participant under the Stock Option Plan and only within the period of (i) 90 days following the date of such cessation, or (ii) 30 days following the date of such cessation if the participant is an Investor Relations Person (as defined in the Stock Option Plan), unless in either case such period is extended by the Board or the Committee, as applicable, to a maximum of one year following the date of such cessation, and approval is obtained from the stock exchange on which the Common Shares trade where required, and in no event after the Expiry Date of the option.

Options granted under the Stock Option Plan shall be non-assignable and non-transferable by an optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during an optionee’s lifetime, only by the optionee.

If at any time when an option granted under the Stock Option Plan remains unexercised:

- (i) the Corporation seeks approval from Shareholders for a transaction which, if completed, would constitute an Acceleration Event (as defined in the Stock Option Plan); or
- (ii) a third party makes a bona fide formal offer or proposal to the Corporation or the Shareholders which, if accepted, would constitute an Acceleration Event,

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the Board or Committee, as applicable, has determined that no adjustment shall be made pursuant to the provisions of the Stock Option Plan, (a) the Board or Committee, as applicable, may permit the optionee to exercise the option, as to all or any of the Common Shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the Expiry Date), so that the optionee may participate in such transaction, offer or proposal; and (b) the Board or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfillment of any conditions or restrictions on such exercise.

The Stock Option Plan provides that upon implementation, the Board or Committee, as applicable, may at any time amend, suspend or terminate the Stock Option Plan, provided that no such amendment, suspension or termination may be made without obtaining any required regulatory or stock exchange approval, and may not materially prejudice the rights of any optionee under any option previously granted to the optionee without the consent or deemed consent of the optionee.

Other than the Stock Option Plan, the Corporation does not have any other incentive or compensation - based security plans under which awards are granted.

Employment, Consulting and Management Agreements

The material terms of each agreement under which compensation was provided during the year ended December 31, 2018, or is payable in respect of services provided to the Corporation by each Named Executive Officer or director, is set out below.

William Simpson – Former CEO and President

The Corporation is party to an employment agreement with William Simpson pursuant to which Mr. Simpson provided services as President of the Corporation in consideration of a gross annual salary in the amount of US\$294,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. As part of an overall corporate efficiency program implemented in 2019, Mr. Simpson's annual compensation was reduced to US\$220,500 and his duties were changed to an adviser to the Board and specific projects delegated by the Board and CEO.

In the event Mr. Simpson's employment is terminated for cause, he would not be entitled to any further compensation or benefits under his employment agreement as of the termination date unless otherwise required by law. Other than for cause, Mr. Simpson's employment agreement may be terminated by the Corporation upon delivery of a written notice of termination at least 60 days prior to the specified termination date, and Mr. Simpson would be entitled to payment of his salary at the rate in effect upon the date of termination for six months following his date of termination. Mr. Simpson would not, however, be entitled to any other post-employment benefits except for benefits payable under applicable benefit plans of the Corporation during such notice period.

William Kulczycki – Former CEO and President

Prior to his replacement, the Corporation was party to an employment agreement with Mr. Kulczycki pursuant to which Mr. Kulczycki provided his services as Chief Executive Officer and President of the Corporation in consideration of a gross annual salary in the amount of US\$240,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. Upon entering into the employment agreement, Mr. Kulczycki was also awarded US\$50,000 and options for one million Common Shares as a one-time signing bonus, and the ability to earn an additional US\$100,000 performance bonus and up to three million additional options for Common Shares contingent upon the achievement of various milestones. The Corporation does not believe that any of the goals specified in Mr. Kulczycki's employment agreement for the performance bonus or vesting of additional options were achieved by the time Mr. Kulczycki's employment terminated with the Corporation.

In connection with Mr. Kulczycki's termination of service with the Corporation, the unvested portion of his three million options were forfeited. No other compensation or benefits were paid to Mr. Kulczycki as a result of his termination of employment with the Corporation, as of the date of this Circular.

Craig Eastwood – Former CFO

Prior to his termination of employment with the Corporation, the Corporation was party to an employment agreement with Eastwood pursuant to which Mr. Eastwood provided his services as Chief Financial Officer of the Corporation in consideration of a gross annual salary in the amount of US\$220,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. Upon entering into the employment agreement, Mr. Eastwood was also granted options under the Corporation's Stock Option Plan for two million Common Shares which vested 33% after one full year of employment, with the remainder vesting monthly over a 24-month period following the one-year anniversary date. Mr. Eastwood also received options for one million Common Shares, 16,667 options vested on January 31, 2019 and the remainder were subject to monthly vesting over 24 consecutive months commencing February 24, 2019.

In connection with Mr. Eastwood's termination of service with the Corporation, the unvested portion of his three million options were forfeited. Mr. Eastwood was also paid severance compensation equal to four months of salary as provided in his Employment Agreement. No other compensation or benefits were paid to Mr. Eastwood as a result of his termination of employment with the Corporation, as of the date of this Circular.

Mike Genovese – Chief Operating Officer

The Corporation is party to an employment agreement with Mike Genovese pursuant to which Mr. Genovese provides his services as Chief Operating Officer of Oregon of the Corporation in consideration of a gross annual salary in the amount of US\$252,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. As part of an overall corporate efficiency program implemented in 2019, Mr. Genovese's annual compensation was reduced to US\$189,000.

In the event Mr. Genovese's employment is terminated for cause, he would not be entitled to any further compensation or benefits under his employment agreement as of the termination date unless otherwise required by law. Other than for cause, Mr. Genovese's employment agreement may be terminated by the Corporation upon delivery of a written notice of termination at least 60 days prior to the specified termination date, and Mr. Genovese would be entitled to payment of his salary at the rate in effect upon the date of termination for six months following his date of termination. Mr. Genovese would not, however, be entitled to any other post-employment benefits except for benefits payable under applicable benefit plans of the Corporation during such notice period.

Karyn Barsa – CFO and CEO (2019)

The Corporation is party to an offer letter with Ms. Barsa pursuant to which Ms. Barsa provides her services as Chief Financial Officer of the Corporation effective February 4, 2019 in consideration of a gross annual salary in the amount of US\$200,000, as well as participation in any employee benefit plans maintained by the Corporation and entitlement to reimbursement from the Corporation for reasonable costs and expenses in accordance with the Corporation's expense reimbursement policy. Upon signing her offer letter, Ms. Barsa was issued 500,000 options, which were immediately vested. Ms. Barsa was also eligible for an additional 1,500,000 options which are to be granted over three years, based on the achievement of set goals, which are mutually agreed upon with the CEO and/or the Board of Directors. As of the date of this Circular, the milestones have not been mutually agreed upon. In the event Ms. Barsa's employment is terminated for any reason, she would not be entitled to any further compensation or benefits under her offer letter as of the termination date, unless otherwise required by law.

Ms. Barsa was also appointed as CEO of the Corporation effective May 9, 2019. Ms. Barsa and the Corporation are negotiating her employment agreement, the terms of which have not been formally approved as of the date of this Circular. Ms. Barsa will continue to serve as both CEO and CFO of the Corporation until a successor CFO has been hired.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Compensation Committee, in collaboration with the Board, is responsible for approval all forms of compensation to be granted and paid to the directors of the Corporation. The form and amount of compensation for directors is determined after consideration of various relevant factors, including an individual's current and expected future performance, level of responsibilities, comparison with compensation paid by other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, as well as the availability of financial and other resources of the Corporation. No formal benchmarking has been established given the size and stage of the Corporation. However, board members are presently compensated with the grant of options for 3.5 million Common Shares pursuant to the Corporation's Stock Option Plan. Options for one million shares vest immediately after a director is granted the options upon election, options for another one million shares vest 12 months after the original date of grant provided the director is elected and serving at that time and options for 1.5 million shares vest 24 months after the original date of grant provided the director is elected and serving at that time.

Director compensation can consist of annual cash retainers and cash retainers for acting on the various committees, with additional amounts for acting as chair of a committee. Compensation also includes eligibility for participation in the Stock Option Plan. Non-executive directors do not currently receive directors' fees or fees for participation on Board committees. Long-term incentives in the form of options are granted to non-executive directors from time to time, based on an existing complement of long term-incentives, corporate performance and to be competitive with other companies of similar size and scope.

The Compensation Committee will periodically review the responsibilities and risks involved in being an effective director and will report and make recommendations accordingly.

Compensation of Named Executive Officers

The Compensation Committee, in collaboration with the Board, is responsible for determining all forms of compensation to be granted and paid to the Chief Executive Officer, and for reviewing the Chief Executive Officer's recommendations regarding compensation of the other Named Executive Officers of the Corporation in order to ensure such arrangements reflect the responsibilities and risks associated with each position.

While the Corporation does not have a formal compensation policy, the general objectives of the Corporation's executive compensation strategy are: (i) recruiting, retaining and motivating high performing executives critical to the success of the Corporation; (ii) providing fair and competitive compensation; (iii) linking the interests of management with those of the Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, the compensation paid to Named Executive Officers of the Corporation consists of base salary, discretionary bonus payments (none have been paid to date) and/or long-term incentives in the form of stock options, as set out below.

The Corporation's executive compensation strategy is designed to retain, encourage, compensate and reward executives on the basis of individual and corporate performance, both in the short- and the long-term. Base salaries will be based on a number of factors enabling the Corporation to compete for and retain executives critical to the Corporation's long-term success. Share ownership opportunities through stock options will be provided to align the interests of executive officers with the longer - term interests of Shareholders.

In reviewing and determining specific compensation amounts for Named Executive Officers, the Compensation Committee, in collaboration with the Board, considers, among other things, factors such as experience, individual performance, length of service, contribution towards the achievement of corporate objectives, stock price, and compensation compared to other employment opportunities for executives.

Elements of Named Executive Officer Compensation

Base Salary

The Named Executive Officers of the Corporation each receive base salaries. The Compensation Committee reviews these salaries annually to ensure that they reflect each respective Named Executive Officer's responsibilities, performance and experience in fulfilling his role. In determining the base salary for each Named Executive Officer, the Compensation Committee, in collaboration with the Board, takes into consideration available market data for other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, although a specific benchmark is not targeted and a formal peer group has not been established. The Chief Executive Officer makes recommendations regarding the compensation of Named Executive Officers for approval by the Board.

Bonus Payments

Certain employment agreements with Named Executive Officers provide that bonuses may be awarded at the discretion of the Board. No such bonus payments have been approved.

Long-Term Incentives

Long-term incentives are performance-based grants of stock options. The Compensation Committee, in collaboration with the Board, will determine the number of stock options to be granted to the Corporation's Named Executive Officers.

In establishing the number of stock options to be granted to the Named Executive Officers, reference is made to the number of stock options granted to officers of other issuers of a similar size and stage of development and in the same or similar industries as the Corporation operates in, as well as those of other publicly-traded Canadian companies of a comparable size to that of the Corporation. The Compensation Committee also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of stock options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the Named Executive Officer in determining the level of incentive stock option compensation.

For a description of the material terms of the Stock Option Plan, see “Statement of Director and Named Executive Officer Compensation – Stock Option Plan and Other Incentive Plans”.

Director and Officer Liability Insurance

The Corporation has obtained and maintains customary liability insurance for the benefit of its directors and officers.

Pension Disclosure

The Corporation does not have a pension plan and does not provide any pension plan benefits.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides details of compensation plans under which equity securities of the Corporation are authorized for issuance as of December 31, 2018.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans⁽²⁾
Equity compensation plans approved by securityholders	49,528,066	C\$0.28	9,386,024
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	49,528,066	C\$0.28	9,386,024

Notes:

⁽¹⁾ Represents the number of Common Shares reserved for issuance upon exercise of the denoted outstanding options granted in accordance with the Stock Option Plan as at December 31, 2018.

⁽²⁾ Based on the maximum aggregate number of Common Shares that were available for issuance under the Stock Option Plan as at December 31, 2018 and based on 10% of the number of Common Shares issued and outstanding as of December 31, 2018. The maximum number of Common Shares reserved for issuance under the Stock Option Plan at any time is 10% of the Corporation’s issued and outstanding Common Shares at that time, less any Common Shares reserved for issuance under other share compensation arrangements.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation, or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, a proposed nominee for election as a director of the Corporation or any associate of any one of the foregoing persons is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries. In addition, neither the Corporation nor any of its subsidiaries has provided a guarantee, support agreement, letter of credit or other similar arrangement for any indebtedness of any of these individuals to any other entity.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any informed person of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person or proposed director, who has had a material interest, direct or indirect, in any transaction involving the Corporation since January 1, 2018 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, other than:

- (a) The Corporation leases both its corporate headquarters in Portland and its grow facility outside of Portland, which is currently under construction, from CPPOR LLC, of which Gary Zipfel, Director, is the sole member. During 2018 and 2017, the Corporation paid total rents of US\$114,600 and US\$96,000 for these properties, respectively. The Corporation was party to a rent abatement agreement for a grow facility under construction with the Corporation for the entirety of 2018. Rent payments resumed in 2019 upon completion of construction in January 2019.

MANAGEMENT CONTRACTS

No management functions of the Corporation or its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Corporation or its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's website at www.goldenleafholdings.com.

Financial information relating to the Corporation is provided in the Corporation's audited consolidated financial statements and the management's discussion and analysis ("**MD&A**") for the year ended December 31, 2018. Shareholders may obtain the financial statements and MD&A under the Corporation's profile on SEDAR at www.sedar.com or by contacting the Corporation directly to request copies of the financial statements and MD&A by: (i) mail to 95 Richmond St. East, Toronto, Ontario, M5C 2C5; or (ii) fax to 416-848-0790.

The Board has approved the contents of this Circular and the sending thereof to the Corporation's Shareholders.

ON BEHALF OF THE BOARD

"Karyn Barsa"

Karyn Barsa
Chief Executive Officer
May 13, 2019

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

GOLDEN LEAF HOLDINGS LTD.

AUDIT COMMITTEE CHARTER

PURPOSE

1. The Audit Committee ("Committee") is a committee of the board of directors (the "Board") of Golden Leaf Holdings Ltd. (the "Corporation"). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities with respect to:
 - (a) the financial reporting process and the quality, transparency and integrity of the Corporation's financial statements and other related public disclosures;
 - (b) the Corporation's internal controls over financial reporting;
 - (c) the Corporation's compliance with legal and regulatory requirements relevant to the financial statements and financial reporting;
 - (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
 - (e) the external auditors' qualifications and independence; and
 - (f) the performance of the internal audit function and the external auditors.
2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Corporation. The Corporation's management is responsible for the preparation of the Corporation's financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Corporation's external auditors are responsible for the audit or review, as applicable, of the Corporation's financial statements in accordance with applicable auditing standards and laws and regulations.

COMPOSITION

3. The Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance Committee and shall be comprised of a minimum of three directors. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.
4. The majority of the members of the Committee shall be directors whom the Board has determined are independent and "financially literate", taking into account the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.
5. The Chair of the Committee will be designated by the Board from among the members of the Board. Such Chair shall serve as a liaison between members and senior management. If for any reason a Chair of the Committee is not appointed by the full Board, members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.

MEETINGS

6. The Committee shall have a minimum of four meetings per year, to coincide with the Corporation's financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate, including considering specific matters at the request of the external auditors or the head of internal audit.

7. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chair of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of conference telephone or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
8. At least two members of the Committee will constitute a quorum at each meeting.
9. The Committee will hold an in camera session without any senior officers present at each meeting.
10. The Committee will keep minutes of its meetings, which shall be available for review by the Board.
11. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
12. The Committee may invite such directors, senior officers and other employees of the Corporation and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
13. Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
14. The Committee will report its determinations and recommendations to the Board.

RESOURCES AND AUTHORITY

15. The Committee has the authority to:
 - (a) engage, at the expense of the Corporation, independent counsel, accounting and other experts or advisors as considered advisable in its sole discretion, at the expense of the Corporation, which shall provide adequate funding for such purposes;
 - (b) determine and pay the compensation for any independent counsel, accounting and other experts or advisors retained by the Committee;
 - (c) conduct any investigation in the Corporation's business or affairs that it considers appropriate; and
 - (d) request unrestricted access to the books and records of the Corporation, management, the external auditors and the head of internal audit, including private meetings, as it considers necessary or appropriate to discharge its duties and responsibilities.

DUTIES AND RESPONSIBILITIES

16. The responsibilities of a member of the Committee shall be in addition to such Member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

Financial Reporting and Disclosure

- (a) The Committee has the duty to determine whether the Corporation's financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Corporation's own policies.

- (b) Review and discuss with management and the external auditor at the completion of the annual examination:
 - (i) the Corporation's audited financial statements and related notes;
 - (ii) the external auditor's audit of the annual financial statements and their report thereon;
 - (iii) any significant changes required in the external auditor's audit plan;
 - (iv) any serious difficulties or disputes with management encountered during the course of the audit; and
 - (v) other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
- (c) Review and discuss with management and, where authorized by the Board, the external auditor at the completion of any review engagement or other examination of the Corporation's quarterly unaudited financial statements:
 - (i) the Corporation's unaudited financial statements and related notes;
 - (ii) any significant changes required in the external auditor's audit plan resulting from the preparation of the unaudited financial statements;
 - (iii) any serious difficulties or disputes with management encountered during the course of the preparation of the unaudited financial statements; and
 - (iv) other matters related to the preparation of the unaudited financial statements, which are to be communicated to the Committee.
- (d) Approve unaudited financial statements and the notes thereto and the Corporation's management discussion and analysis with respect to such financial statements.
- (e) Review, discuss with management the annual reports, the quarterly reports, the related Management Discussion and Analysis, the annual information form, any prospectus and other disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
- (f) Review disclosure respecting the activities of the Committee included in the Corporation's annual filings.
- (g) Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Corporation and provide their recommendations on such documents to the Board.
- (h) Inquire of the auditors the quality and acceptability of the Corporation's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- (i) Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- (j) Ensure that management has the proper systems in place so that the Corporation's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Corporation.
- (k) Review and approve any significant amendments to the Corporation's Disclosure Policy.
- (l) Review and if appropriate, ratify the mandate of the Disclosure Committee.

External Auditor

- (m) Retaining and terminating, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Corporation's financial statements.
- (n) Communicating to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
- (o) Obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
- (p) Evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Corporation, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Corporation.
- (q) Approving, or recommending to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement.
- (r) Reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements.
- (s) Setting hiring policies with respect to the employment of current or former employees of the external auditors.

Internal Controls and Audit

- (t) Reviewing and discussing with management, the external auditors and the head of internal audit the effectiveness of the Corporation's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls over financial reporting.
- (u) Discussing the Corporation's process with respect to risk assessment (including fraud risk), risk management and the Corporation's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.
- (v) Reviewing and discussing with management the Corporation's Code of Business Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance.
- (w) Establishing procedures for:
 - (i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, including reviewing and discussing Whistleblower Policy with management; and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting, internal controls or auditing matters.
- (x) Reviewing and discussing with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Corporation's internal audit function, including reviewing the internal audit mandate, independence, organizational structure,

internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.

- (y) Approving in advance the retention and dismissal of the head of internal audit.

Other

- (z) Reporting regularly to the Board.
- (aa) Reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance Committee of the Board on an annual basis.
- (bb) Evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance Committee, which shall report to the Board.
- (cc) Review periodically, together with the Corporate Governance Committee, the directors' and officers' liability insurance and indemnities of the Corporation and consider the adequacy of such coverage.

ADOPTION

This Charter was adopted by the Board on May 31, 2016.

SCHEDULE "B"
REPORTING PACKAGE
(attached)

Golden Leaf Holdings Ltd.
8089 SW Cirrus Dr, Building 19
Beaverton, Oregon, 97008

NOTICE OF CHANGE OF AUDITOR
(The "Notice")

To: Jackson & Co.
And To: Dale Matheson Carr-Hilton LaBonte LLP Chartered Professional Accountants

1. The directors of the Company propose appoint Dale Matheson Carr-Hilton LaBonte LLP Chartered Professional Accountants, as auditors for the Company from the predecessor auditor Jackson & Company, as the predecessor auditor has now transitioned their entire practice to DMCL

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"), the Company confirms that:

1. Jackson & Company Chartered Accountants was asked to resign as auditor of the Company, effective November 1st, 2018, to facilitate the appointment of Dale Matheson Carr-Hilton LaBonte LLP Chartered Professional Accountants of Suite 1500 – 1140 West Pender Street, Vancouver, B.C. V6E 4G1;
2. Jackson & Company Chartered Accountants has not expressed any reservation in its reports for the two most recently completed fiscal years of the Company, nor for the period from the most recently completed period for which Jackson & Company Chartered Accountants issued an audit report in respect of the Company and the date of this Notice;
3. In the opinion of the Board of Directors of the Company, no "reportable event" as defined in NI 51-102 has occurred in connection with the audits of the two most recently completed fiscal years of the Company nor any period from the most recently completed for which Jackson & Company Chartered Accountants issued an audit report in respect of the Company and the date of this Notice; and
4. The Notice and Auditor's letters have been reviewed by the Audit Committee and the Board of Directors.

Dated as of the 1st day of November 2018

Golden Leaf Holdings Ltd.

Craig Eastwood

Craig Eastwood
Chief Financial Officer

November 1, 2018

Canadian Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

**RE: Golden Leaf Holdings Ltd (The “Company”)
Notice Pursuant to National Instrument 51-102 - Change of Auditor**

We acknowledge receipt of a Notice of Change of Auditor (the “Notice”) dated November 1, 2018 delivered to us by the Company in respect of the change of auditor of the Company.

Pursuant to National Instrument 51-102, please accept this letter as confirmation that we have reviewed the Notice and, based on our knowledge as at the time of receipt of the Notice, we agree with the statements set out in the Notice

Yours very truly,

Jackson & Company

CHARTERED PROFESSIONAL ACCOUNTANTS



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER
1500 – 1140 W. Pender Street
Vancouver, BC V6E 4G1
TEL 604.687.4747 | FAX 604.689.2778

TRI-CITIES
700 – 2755 Lougheed Hwy.
Port Coquitlam, BC V3B 5Y9
TEL 604.941.8266 | FAX 604.941.0971

WHITE ROCK
301 – 1656 Martin Drive
White Rock, BC V4A 6E7
TEL 604.531.1154 | FAX 604.538.2613

WWW.DMCL.CA

November 1, 2018

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
9TH Floor – 701 West Georgia Street
Vancouver, B.C. V7Y 1L2

Canadian Stock Exchange

Office 1122
Suite 100 – 535 Thurlow Street
Vancouver, B.C. V6E 3L2

Alberta Securities Commission

Suite 600, 250 – 5th Street S.W.
Calgary, Alberta T2P 0R4

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Dear Sirs:

Re: Golden Leaf Holdings Ltd. (the "Company")
Notice Pursuant to National Instrument 51-102 - Change of Auditor

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated November 1, 2018 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

PARTNERSHIP OF:

VANCOUVER Bradley G. Allen Inc. Robert J. Burkart, Inc. Kenneth P. Chong Inc. Alvin F. Dale Ltd. Donald L. Furney, Ltd. David J. Goertz, Inc. Matthew G. Gosden, Inc. Barry S. Hartley, Inc. Cherry H. Ho, Inc. Robert J. Matheson, Inc. Rakesh I. Patel Inc. Lorraine W. Rinfret, Inc. Brad A. Robin Inc.
SURREY Michael K. Braun Inc. Peter J. Donaldson, Inc. Harjit S. Sandhu, Inc. **TRI-CITIES** Isomura Services Corp. Brian M. Legge Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

