



RIV CAPITAL

RIV CAPITAL INC.

NOTICE OF MEETING

and

MANAGEMENT INFORMATION CIRCULAR

for the

ANNUAL GENERAL MEETING OF SHAREHOLDERS

to be held on

September 29, 2022

DATED AS OF AUGUST 23, 2022

LETTER TO SHAREHOLDERS

Dear Shareholders:

On behalf of our board of directors (the “**Board**”) and management team, I am pleased to invite you to attend the annual general meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of RIV Capital Inc. (“**RIV Capital**” or the “**Company**”). This year’s meeting will be held at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Commerce Court West, Suite 4000, Toronto, Ontario M5L 1A9 on September 29, 2022, at 10:00 a.m. (EDT). We strongly encourage you to read the accompanying management information circular (the “**Circular**”) before voting your shares.

Now is an exciting time for RIV Capital: we have strong liquidity, a robust balance sheet, a unique strategic partnership, and a transformative acquisition that we believe will provide entry into one of the largest legal cannabis markets in the U.S.

Since early 2021, the Company has embarked on a strategic shift to capitalize on the growth opportunities in the nascent U.S. cannabis market. We have shifted from an investor in the cannabis value chain to a full-fledged U.S. cannabis operating platform, and we believe we have timed our pivot well. It is a particularly auspicious time for a well-capitalized and resourced company to enter the U.S. cannabis market, and we look forward to executing on our strategic vision in the years ahead.

Without a doubt, the future is bright for RIV Capital.

Venturing into the U.S. Cannabis Market to Create Growth for RIV Capital

We see huge potential in the U.S. market, and strongly believe that the current political and regulatory conditions present a unique opportunity for the Company. In the fiscal year ended March 31, 2022, the Company entered into a transformative agreement to acquire ownership and control of Etain, LLC and Etain IP LLC (“**Etain**”), one of New York’s original five medical cannabis licence recipients and one of only 10 approved vertically integrated operators in the state (the “**Etain Acquisition**”).

The Etain Acquisition marks a significant milestone of our U.S. strategy, laying a foundation from which the Company can launch its U.S. platform. In the near term, the Company expects to continue to expand Etain's current cultivation capacity to support New York’s existing medical and forthcoming adult-use markets, begin constructing Etain’s proposed flagship facility in Buffalo, build on Etain’s four operating dispensaries across New York State, and enhance the existing premier product portfolio. The final stage of the Etain Acquisition is expected to close later this year, subject to receipt of the relevant approvals by New York State regulators.

As statewide regulatory reform – both medical and adult-use – continues to roll out across the U.S., we believe that the Company is well situated to become a leading cannabis operator, both within New York and, eventually, in other key states across the country. We also expect to accelerate our strategy by bringing leading, culturally relevant brands to New York and other states that we enter.

JWAM’s Meritless and Self-Serving Application

Before further elaborating on the Board’s vision for the Company, we want to take this opportunity to proactively address JW Asset Management, LLC’s (“**JWAM**”) application against RIV Capital. In late May 2022, JWAM, which holds approximately 20% of the issued and outstanding Class A common shares of RIV Capital, filed an Ontario Superior Court of Justice application against the Company regarding the Etain Acquisition.

Prior to JWAM’s application, our Board and management team regularly engaged with Mr. Jason Wild, President and Chief Investment Officer of JWAM, about the Etain Acquisition through meetings, calls, and correspondence. Despite this outreach, JWAM made the disappointing decision to launch an application against the Company. It is important to note that in JWAM’s application it has sought a court order to have its shares bought out by the Company, thereby

depleting Company funds that it could otherwise use to scale the business or make acquisitions. This fact alone makes it readily apparent to the Company, as it should to all shareholders, that Mr. Wild's interests have significantly diverged from those of the Company's other shareholders.

As many of our shareholders may know, funds managed by JWAM are collectively the largest shareholder in TerrAscend Corp. ("**TerrAscend**"), a competitor to RIV Capital, with existing cannabis operations in the United States, in particular the Northeast. Mr. Wild is TerrAscend's Executive Chairman and Chairman of the Board, and JWAM's economic interest in TerrAscend is over 10 times greater than its interest in RIV Capital.

This conflict of interest means any actions that JWAM and Mr. Wild undertake with respect to the Company are - at best - severely complicated by their interests in and role at TerrAscend. At worst, their actions are diametrically opposed to the best interests of RIV Capital.

Nonetheless, the Company has sought to constructively engage with Mr. Wild. We have walked Mr. Wild through our previously announced strategic shift into the U.S. market and tried to find ways to work collaboratively with JWAM. Mr. Wild's response has been to launch an application against the Company and threaten that he will nominate a dissident slate of directors at the Company's upcoming Meeting.

We strongly believe that, if an unknown and unproven slate of directors is nominated to the Board, it would threaten to destroy significant shareholder value and potentially create uncertainty and risk regarding the Company's strategic plans. We believe that this type of threat exemplifies Mr. Wild and JWAM's divergence from the best interests of the Company. We are particularly concerned that the nomination of an unproven slate of directors by Mr. Wild and JWAM could bring strategic disarray to the Company - their previously described conflicts of interest with respect to TerrAscend should give shareholders pause as to the strategic vision they would seek to execute for RIV Capital. We are further concerned that this type of strategic upheaval could potentially jeopardize RIV Capital's strategic and financial partnership with The Hawthorne Collective, Inc. ("**Hawthorne**"), a newly formed cannabis subsidiary of The ScottsMiracle-Gro Company ("**ScottsMiracle-Gro**"), which is a partnership that we believe will drive significant value for the Company going forward. We believe our strategic partnership with Hawthorne is critical to RIV Capital on a go-forward basis, and jeopardizing it could bring a number of negative consequences.

While we do not know yet whether Mr. Wild and JWAM will attempt to nominate a dissident slate of directors at our upcoming Meeting, rest assured that should JWAM advance its plans publicly, we will respond in detail.

RIV Capital is on the Right Track to Reap the Benefits of its Foresight

What we do know is that under the stewardship of the current Board and management team, RIV Capital is on the right track. It is this Board, in particular the independent directors, that led RIV Capital through multiple significant transactions - its successful untangling from Canopy Growth Corporation, which effectively recapitalized the Company while divesting multiple illiquid investments, and its strategic partnership with ScottsMiracle-Gro, a global leader of branded consumer products for lawn and garden care, which provided substantial cash and an even stronger balance sheet to the Company to execute the Etain Acquisition and pivot to the U.S. market. New York represents one of the largest legal cannabis market opportunities in the U.S. and is expected to become the second largest cannabis market by 2026. We anticipate a dramatic increase in cannabis sales as New York brings its adult-use market online, and upon completion of the Etain Acquisition, we believe RIV Capital will be well-positioned to capitalize on the lucrative growth as a leader in this market. In connection with the Etain Acquisition, the Company also entered into an investor rights agreement with the former owners of Etain, who have the right to nominate one director to the Board.

As referenced above, the Company also entered into its strategic partnership with Hawthorne during the fiscal year ended March 31, 2022. This strategic partnership not only provides substantial cash, but also provides additional resources, cannabis industry expertise, and flexibility to accelerate RIV Capital's go-forward strategy. In connection with our strategic partnership with Hawthorne, the Company entered into an investor rights agreement, as amended, providing for, among other things, the right to nominate up to four directors to the Board; provided that for so long as the size of the Board is seven directors, Hawthorne has agreed to nominate only three directors for election, including at the Meeting. We are confident that this strategic partnership significantly differentiates RIV Capital from many

other companies in the industry, and that it will continue to help drive meaningful value for all RIV Capital shareholders.

RIV Capital's long-term strategy is to build a leading multi-state operating and brand platform. In light of the ongoing challenging backdrop in capital markets generally and the cannabis markets specifically, the strength of our balance sheet and liquidity puts RIV Capital in a favorable position to potentially expand our US footprint into key states to accelerate our growth and accelerate value creation for our shareholders.

RIV Capital's Visionary and Highly Experienced Leadership

RIV Capital's Board nominees, outlined below, is the right mix of individuals to drive the Company forward, having strong governance bonafides, a diversity of views, financial expertise, capital markets experience, and an understanding of the industry and the cannabis markets in both Canada and the U.S.

As part of our strategic Board refreshment, two new highly qualified directors were added to our slate to provide broader industry expertise and fresh perspectives to better position us for an even stronger future: Ms. Dawn Sweeney, former President and CEO of the National Restaurant Association, and Ms. Laura Curran, former County Executive of Nassau County and an experienced New York legislator. In addition to Ms. Sweeney and Ms. Curran, and as previously announced as part of the Etain Acquisition, Ms. Amy Peckham has also been added.

We strongly believe that our new and existing directors will provide RIV Capital with the right balance of continuity and fresh perspectives, relevant experience, strategic vision, and bold, forward-looking insights that the Company needs to create significant shareholder value in the years ahead.

Ms. Asha Daniere and Mr. Gary Vaynerchuk will not stand for re-election. We thank Ms. Daniere and Mr. Vaynerchuk for their contributions to the Company and the strong foundation they laid for RIV Capital's long-term success in the industry. In particular, we thank Ms. Daniere for her years of service to the Company, and her tireless efforts in bringing RIV Capital to where it stands today. Following the Meeting, we expect to appoint a new independent Chair of the Board.

Moreover, with our executive appointments, including Mike Totzke as Chief Operating Officer earlier this year, as well as our existing executive leadership, RIV Capital has the operational and leadership experience in place to maximize our opportunity in New York's growing cannabis market as well as explore new opportunities as part of our overall corporate strategy.

Laura Curran

- Former Chief Executive of the Nassau County government
- Two-term Nassau County Legislator serving on Finance, Public Safety, Public Works, and Veterans Committees
- Board President and Board Trustee of Baldwin School Board
- Graduated with Bachelor of Arts degree from Sarah Lawrence College in 1989

Chris Hagedorn

- Executive Vice President and Division President of Hawthorne Gardening Company
- Held various positions within ScottsMiracle-Gro, ranging from marketing roles to director of indoor gardening
- Graduated with a Bachelor's degree from Bowdoin College

Richard Mavrillac

- Member of the board of directors and chair of the Audit Committee of Roots Corporation

- Former Chief Financial Officer of George Weston Limited and former Executive Vice-President of Loblaw Companies Limited
- Graduated with a Bachelor of Commerce degree from the University of Toronto in 1975
- Chartered Accountant

Joseph Mimran

- Founded or co-founded and built Canada's leading fashion and retail brands including Joe Fresh™, Club Monaco, Alfred Sung, Caban and Pink Tartan
- Chairman of Gibraltar & Company, Inc. and Co-Chief Executive Officer of Gibraltar Opportunity, Inc. and Gibraltar Growth Corporation
- Founded the consulting firm Joseph Mimran & Associates Inc. in 2001
- Co-founded The Monaco Group
- Recipient of many industry awards, including the Canadian Style Award and the lifetime achievement award by the Design Exchange
- Inducted into Canada's Marketing Hall of Legends in 2015
- Chartered Accountant

Amy Peckham

- Chief Executive Officer of Etain
- Corporate Secretary and Management Advisor for Peckham Family Holdings
- Member of the board of directors of Peckham Industries, Inc. and Co-Founder and Corporate Secretary of the Peckham Family Foundation

Mark Sims

- Chief Executive Officer of RIV Capital Inc.
- Formerly a Senior Vice President, Strategy and M&A at ScottsMiracle-Gro
- 15 years in management consulting focused on business transformation to drive growth and productivity
- Director of the regional health insurance company, SummaCare, and the audit and compliance committee of their parent, Summa Health
- Completed the Advanced Management Program at the Wharton School, Master's in Industrial Engineering from Cleveland State University, and a Bachelor's in Industrial and Operations Engineering from the University of Michigan

Dawn Sweeney

- Executive-In-Residence at Georgetown University's McDonough School of Business
- Independent director of SITE Centers Corp. (NYSE: SITC); qualified financial expert on the Audit Committee and serves on the board's Compensation Committee
- Vice Chair of the Board of Save the Children Action Network, and on the Board of MedStar's National Rehabilitation Hospital, as Vice Chair of the Quality and Safety Committee
- Principal for the New England Consulting Group, a management and strategy consulting firm serving iconic CPG brands across the globe
- Formerly the longest-serving and first woman President and CEO of the National Restaurant Association, where she was responsible for advancing and protecting the nation's one million restaurants and its 15 million employees
- Former President of AARP Services, the taxable business subsidiary of AARP
- Recognized by *Washingtonian Magazine* as one of the "most powerful women in Washington" for each of the past five years

The Future is Bright for RIV Capital

There is plenty of work left to do, but RIV Capital has a bright future. In the near term, RIV Capital will continue to focus on growth, optimize capital allocation, streamline our portfolio, and build out our platform. Over the next several months, the Company intends to fully operationalize the Etain footprint in New York (following receipt of required regulatory approvals and closing of the final stage of the Etain Acquisition) and will focus on potential investments in brands and plant-touching operators in key US geographies to further the Company's strategy. The Company will continue to support Etain's expansion of cultivation and processing capacity, both at Etain's existing cultivation footprint in Chestertown and at the recently announced flagship facility in Buffalo, and eventual expansion from four to eight retail dispensaries in New York, three of which may co-locate medical and adult-use sales. By leveraging our knowledge of the cannabis landscape and our advantage in the limited license environment, RIV Capital will establish itself as a leader in the New York market and capitalize on opportunities ahead of us that maximize value for our shareholders.

Voting is fast and easy. Your vote is critical no matter how many shares you own. We encourage you to vote well before the deadline of 10:00 am (EDT) on September 27, 2022.

If you have any questions or need help voting, please contact Kingsdale Advisors:

- 1-877-659-1821 (toll-free within North America)
- 1-416-867-2272 (outside of North America)
- Email: contactus@kingsdaleadvisors.com

Sincerely,

“Mark Sims”

Mark Sims
Director and President and Chief Executive Officer

RIV CAPITAL INC.

Notice of Annual General Meeting of Shareholders

To be held on September 29, 2022, at 10:00 a.m. (EDT)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of RIV Capital Inc. (the “**Company**”) will be held at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Commerce Court West, Suite 4000, Toronto, Ontario M5L 1A9 on September 29, 2022, at 10:00 a.m. (EDT) for the following purposes, as more particularly described in the accompanying management information circular (the “**Circular**”):

1. to receive and consider the audited consolidated financial statements of the Company for the financial years ended March 31, 2022 and 2021, together with the auditor’s report thereon (the “**Annual Financial Statements**”);
2. to elect the directors of the Company for the ensuing year, as more fully described in the Circular;
3. to appoint MNP LLP, Chartered Professional Accountants, as the auditor of the Company for the ensuing year and to authorize the board of directors of the Company (the “**Board**”) to fix their remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The Board has fixed the close of business on August 22, 2022, as the record date (the “**Record Date**”) for determining Shareholders entitled to receive notice of and to vote at the Meeting and any adjournment or postponement thereof. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

While as of the date of this Circular, the Company intends to hold the Meeting as set out above, the Company will be monitoring developments related to the ongoing COVID-19 pandemic and reserves the right to take any precautionary measures that it deems necessary or advisable in relation to the Meeting in response thereto, including changing the time, date or location of the Meeting. Changes to the Meeting time, date or location and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company’s press releases as well as its website at www.rivcapital.com. The Company does not intend to prepare or mail an amended Circular in the event of changes to the Meeting format.

The Company strongly encourages each Shareholder to submit a form of proxy or voting instruction form in advance of the Meeting using one of the methods described below and in the Circular. Registered Shareholders should complete, date and sign a form of proxy in advance of the Meeting and return it in the envelope provided for that purpose to Odyssey Trust Company (“**Odyssey**”), Attn: Proxy Department, Traders Bank Building, Suite 702, 67 Yonge St, Toronto, Ontario M5E 1J8, by courier, by mail, or by electronic voting through <https://login.odysseytrust.com/pxlogin> in each case by 10:00 a.m. (EDT) on September 27, 2022. 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. Beneficial Shareholders who receive the Meeting materials through their broker or other intermediary should complete and return their form of proxy or voting information form in accordance with the instructions provided by their broker or intermediary. **Shareholders are reminded to review the Circular prior to voting.**

The Board has, by resolution, fixed 10:00 a.m. (EDT) on September 27, 2022, or in the event of an adjournment or postponement of the Meeting, 48 hours before the time of the adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays), as the time before which forms of proxy to be used or acted upon at the Meeting, or any adjournment or postponement thereof, must be deposited with the Company’s transfer agent and registrar, Odyssey.

Alternatively, a form of proxy may be given to the Chair of the Meeting at which the form of proxy is to be used. Late forms of proxy may be accepted or rejected by the Chair of the Meeting in his or her discretion, and the Chair is under no obligation to accept or reject any particular late form of proxy. The Chair of the Meeting shall have the discretion to waive or extend the proxy deadlines without notice.

The Company will be following COVID-19 safety protocols for the Meeting. Registered Shareholders and properly appointed proxyholders who wish to attend the Meeting in person will be required to present their identification and a copy of their completed proxy or other proof of their status as a registered Shareholder or valid proxyholder, and may also be required to follow masking protocols, maintain appropriate physical distancing and comply with other COVID-19 safety protocols. Shareholders are strongly encouraged to submit a form of proxy or voting instruction form in advance of the Meeting using one of the methods described in the Circular to ensure that their votes are counted at the Meeting.

If you have any questions regarding the Meeting or voting at the Meeting, please contact your broker or intermediary or the Company's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-877-659-1821 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

DATED at Toronto, Ontario, this 23rd day of August, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Mark Sims"

Director and President and Chief Executive Officer

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GENERAL INFORMATION FOR THE MEETING

Time, Date and Place of Meeting

This management information circular (the “**Circular**”) is provided in connection with the solicitation, by or on behalf of the management of RIV Capital Inc. (the “**Company**”), of proxies for use at the Company’s annual general meeting (the “**Meeting**”) of the holders (collectively, the “**Shareholders**” or, individually, a “**Shareholder**”) of Class A common shares (the “**Common Shares**”) of the Company, to be held at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Commerce Court West, Suite 4000, Toronto, Ontario M5L 1A9 on September 29, 2022, at 10:00 a.m. (EDT) for the purposes set forth in the accompanying notice of meeting (the “**Notice**”). References in this Circular to the Meeting include any adjournment or postponement thereof.

Date of Information

Unless otherwise stated herein, the information contained in this Circular is given as of August 22, 2022. Information set forth herein as to shareholdings is based upon information supplied by the respective persons holding such Common Shares.

Currency

In this Circular, references to “\$”, “CAD” and “dollars”, are to Canadian dollars and references to “U.S.\$” and “USD” are to United States dollars.

Record Date

The Company has fixed the close of business on August 22, 2022, as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and to vote at the Meeting. 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 (subject, in the case of voting by proxy, to the timely deposit of a properly completed, signed and dated form of proxy with the Company’s registrar and transfer agent, Odyssey Trust Company (“**Odyssey**”), as specified herein and in the Notice).

All Shareholders of record at the close of business on the Record Date are entitled to vote the Common Shares registered in such Shareholder’s name at that date on each matter to be acted upon at the Meeting. The failure of any Shareholder to receive a copy of the Notice does not deprive a Shareholder of the right to vote at the Meeting.

Quorum

The quorum for the Meeting is two persons present in person and holding or representing by proxy not less than 20% of the votes attached to all Common Shares entitled to be voted at the Meeting.

Meeting Format

While as of the date of this Circular, the Company intends to hold the Meeting as set out above, it will be monitoring developments related to the ongoing COVID-19 pandemic. The Company asks that Shareholders follow the instructions and recommendations of federal, provincial and local health authorities, if any, when considering attending the Meeting. While it is not known what the situation with COVID-19 will be on the date of the Meeting, the Company will follow any applicable guidance and orders of government and public health authorities in that regard, including those restricting the size of public gatherings in order to support efforts to reduce the impact and spread of COVID-19. The Company reserves the right to take any additional precautionary measures that it deems necessary or advisable in relation to the Meeting in response to developments in respect of the COVID-19 pandemic, including changing the time, date or location of the Meeting. Changes to the Meeting time, date or location and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company’s press releases as well as its website at www.rivcapital.com. The Company does not intend to prepare or mail an amended management information circular in the event of changes to the Meeting format.

The Company will be following COVID-19 safety protocols for the Meeting. Registered Shareholders and properly appointed proxyholders who wish to attend the Meeting in person will be required to present their identification and a copy of their completed proxy or other proof of their status as a registered Shareholder or valid proxyholder, and may also be required to follow masking protocols, maintain appropriate physical distancing and comply with other COVID-19 safety protocols. Shareholders are strongly encouraged to submit a form of proxy or voting instruction form in advance of the Meeting using one of the methods described in the Circular to ensure that their votes are counted at the Meeting. The Meeting will not be open to the general public and will be limited to registered Shareholders and duly appointed proxyholders only.

Solicitation of Proxies

The enclosed form of proxy is being solicited by the management of the Company for use at the Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, by telephone, or other means of communication by the directors, officers and employees of the Company, none of whom will be specifically remunerated therefor, or by the Company's transfer agent Odyssey, at nominal cost. The Company has also retained Kingsdale Advisors ("**Kingsdale**") as its strategic shareholder advisor and proxy solicitation agent and will pay fees of approximately \$85,000 to Kingsdale for the proxy solicitation service, in addition to certain out-of-pocket expenses. The Company may also reimburse brokers and other persons holding Common Shares in their name or in the name of nominees for their costs incurred in sending proxy material to their principals in order to obtain their proxies.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company has made arrangements to distribute copies of the Meeting materials to intermediaries or their nominees (collectively, the "**Intermediaries**" or, individually, an "**Intermediary**") (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Deferred Profit Sharing Plans, Registered Education Savings Plans and similar plans) for distribution to Beneficial Shareholders (as defined herein) and such Intermediaries are required to forward the Meeting materials to each Beneficial Shareholder (unless the Beneficial Shareholder has declined to receive such materials). The Company is paying Broadridge (as defined herein) to deliver, on behalf of the Intermediaries, a copy of the Meeting materials to each Beneficial Shareholder.

The Company may utilize the Broadridge QuickVote™ service to assist Beneficial Shareholders with voting their Common Shares by telephone. Alternatively, Kingsdale may contact Beneficial Shareholders to assist them with conveniently voting their Common Shares directly by telephone.

All references to Shareholders in this Circular, the accompanying form of proxy and the Notice are to registered Shareholders unless specifically noted otherwise.

Appointment and Revocation of Proxies

The individuals named as proxyholders in the form of proxy accompanying this Circular are representatives of the Company's management. **A Shareholder who wishes to appoint another person (who need not be a Shareholder) as his or her representative at the Meeting may do so by either: (a) crossing out the names of the designated proxyholders and printing the appointee of their choice in the blank space provided for that purpose in the form of proxy or voting instruction form ("VIF"); or (b) completing another valid form of proxy.** In either case, the completed form of proxy must be delivered to Odyssey at the place and within the time limits specified herein for the deposit of proxies. The Chair of the Meeting shall have the discretion to waive or extend the proxy deadlines without notice. A Shareholder who appoints a proxy other than the designated proxyholders should notify their chosen proxyholder(s), obtain his or her consent to act as proxy, and provide instructions to such proxyholder on how the Shareholder's Common Shares are to be voted. The proxy appointee should bring personal identification to the Meeting. In all cases the form of proxy should be dated and executed by a Shareholder or an attorney duly authorized in writing (with proof of such authorization attached, in the case where an appointed attorney has executed the form of proxy).

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to Odyssey Trust Company, Attn: Proxy Department, Traders Bank Building, Suite 702, 67 Yonge St, Toronto, Ontario M5E 1J8, by courier, by mail, or by electronic voting through <https://login.odysseytrust.com/pxlogin> in each case by 10:00 a.m. (EDT) on September 27, 2022, or in the event of an adjournment or postponement of the Meeting, 48 hours before the time of the adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays). 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. Alternatively, a form of proxy may be given to the Chair of the Meeting at which the form of proxy is to be used. Late forms of proxy may be accepted or rejected by the Chair of the Meeting in his or her discretion, and the Chair is under no obligation to accept or reject any particular late form of proxy. The Chair of the Meeting shall have the discretion to waive or extend the proxy deadlines without notice.

A Shareholder who has given a form of proxy may revoke the form of proxy by depositing an instrument in writing, including another completed form of proxy, signed by such Shareholder or by his, her or its attorney, who is authorized in writing or by electronic signature, or, if the Shareholder is a corporation, by an authorized officer or attorney thereof, who is authorized in writing or by electronic signature, or by transmitting by telephonic or electronic means, a revocation signed, by electronic signature, and depositing it at the registered office of the Company (RIV Capital Inc., 40 King Street West, Suite 2504, Toronto, Ontario M5H 3Y2. Attention: Chief Strategy Officer, General Counsel and Corporate Secretary) at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment or postponement thereof. A Shareholder may also revoke a proxy in any other manner permitted by law.

If a registered Shareholder revokes a form of proxy and does not replace it with another form of proxy that is deposited with Odyssey before the proxy deadline, such Shareholder can still vote its Common Shares, but to do so the registered Shareholder must attend the Meeting in person.

Voting of Proxies

The persons named in the form of proxy are officers of the Company that have been selected by the directors of the Company and that have indicated their willingness to represent Shareholders that appoint them as proxy. Each Shareholder may instruct his or her proxy on how to vote his or her Common Shares by completing the blanks on the form of proxy.

Common Shares represented by properly executed forms of proxy in favour of the person designated on the form of proxy will be voted or withheld from voting in accordance with the instructions given on the form of proxy and if a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such instructions, such Common Shares will be voted FOR the approval of all resolutions in this Circular.**

The form of proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice and this Circular and with respect to any other matters which may properly come before the Meeting. As of the date hereof, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which 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 proxyholder.

If you require assistance in completing the form of proxy you may contact the Company's strategic shareholder advisor and proxy solicitation agent, Kingsdale, at 1-877-659-1821 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to Shareholders who do not hold Common Shares in their own name ("Beneficial Shareholders").

Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as of the Record Date as the registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities), which acts as a nominee for many Canadian brokerage firms. Common Shares held by Intermediaries can only be voted (for, withheld or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every Intermediary has its own mailing procedures and provides its own return voting instructions, which should be carefully followed by Beneficial Shareholders to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary on how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions on how to vote from clients to Broadridge Investor Communications Corporation ("**Broadridge**"). Broadridge typically mails a form of proxy or VIF to the Beneficial Shareholders and asks the Beneficial Shareholders to return the form of proxy or VIF to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a form of proxy or VIF from Broadridge cannot use that form of proxy or VIF to vote Common Shares directly at the Meeting. The form of proxy or VIF must be returned to Broadridge or the Intermediary well in advance of the Meeting to have the Common Shares voted. A Beneficial Shareholder may revoke a form of proxy or VIF or a waiver of the right to receive Meeting materials and to vote which has been given to their Intermediary at any time by written notice to the Intermediary, provided that the Intermediary is not required to act on a revocation of a form of proxy or VIF or of a waiver of the right to receive Meeting materials and to vote, which is not received by the Intermediary at least seven days prior to the Meeting. If you have any questions regarding the voting of Common Shares held through a broker or other Intermediary, please contact your broker or other Intermediary or the Company's strategic shareholder advisor and proxy solicitation agent, Kingsdale, at 1-877-659-1821 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting materials to Broadridge to deliver, on behalf of the Intermediaries, to the Beneficial Shareholders.

Questions and Further Assistance

All questions regarding the information contained in this Circular or requests for assistance in completing the form of proxy can be directed to the Company's strategic shareholder advisor and proxy solicitation agent, Kingsdale, at 1-877-659-1821 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No (a) director or executive officer of the Company who has held such position at any time since April 1, 2021; (b) Nominee (as defined herein); 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. See "*Business of Meeting – Election of Directors*".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Common Shares, of which 163,878,332 were issued and outstanding as at August 22, 2022. Each Common Share carries the right to one vote per share. No other voting securities were issued and outstanding as of such date.

To the knowledge of the directors and the executive officers of the Company, as at August 22, 2022, no person beneficially owned, or controlled or directed, directly or indirectly, more than 10% of the issued and outstanding Common Shares, other than as set out below:

Name and Municipality of Residence	Number of Common Shares ⁽¹⁾
JW Asset Management, LLC ⁽²⁾ New York, New York	33,433,334 (20.40%)
BrandCo HoldCo, LLC ⁽³⁾ Brewster, New York	21,092,335 (12.87%)

Notes:

- (1) Calculated on a non-diluted basis based on 163,878,332 Common Shares outstanding as of August 22, 2022.
- (2) 24,333,334 Common Shares are held by JW Partners, LP, 9,000,000 Common Shares are held by JW Opportunities Master Fund Ltd., 70,000 Common Shares are held by JW Growth Fund, LLC, and 30,000 Common Shares are held by Insight Wellness Fund, LLC, each of which is controlled or directed by JW Asset Management, LLC.
- (3) The members of BrandCo HoldCo, LLC ("**BrandCo HoldCo**") are Hillary Peckham, Keeley Peckham, John Peckham and Gregory Peckham.

Investor Rights Agreements

The Company is party to an investor rights and strategic opportunities agreement dated August 24, 2021, as amended by Amendment No. 1 to the investor rights and strategic opportunities agreement dated March 30, 2022 (the "**Hawthorne Investor Rights Agreement**"), with The Hawthorne Collective, Inc. ("**The Hawthorne Collective**") and The Hawthorne Gardening Company, providing for, among other things, the right for The Hawthorne Collective to nominate up to four directors (each a "**Hawthorne Nominee**") to the board of directors of the Company (the "**Board**"). Pursuant to the Hawthorne Investor Rights Agreement, the Company also agreed to expand the size of its Board to nine directors. The Hawthorne Collective's nomination rights remain in effect so long as The Hawthorne Collective and its affiliates beneficially own at least 33% of the outstanding Common Shares (on an as exchanged basis). If the beneficial ownership (on an as exchanged basis) of The Hawthorne Collective and its affiliates drops: (i) below 33% (but not less than 20%), or (ii) below 20% (but The Hawthorne Collective and its affiliates continue to beneficially own at least 60% of either the original principal amount of the convertible promissory note originally purchased by The Hawthorne Collective or the Common Shares into which the original principal amount of such original convertible promissory note was convertible), the number of nominees The Hawthorne Collective will be entitled to nominate will be reduced to three and two, respectively. Notwithstanding the foregoing, the Company, The Hawthorne Collective and The Hawthorne Gardening Company have agreed that effective as of the Initial Designation Date (as defined in the Etain Investor Rights Agreement (as defined herein)) the size of the Board shall be seven directors and that for so long as the size of the Board is seven directors, The Hawthorne Collective shall not be entitled to designate more than three Hawthorne Nominees pursuant to the Hawthorne Investor Rights Agreement.

Each Hawthorne Nominee must meet the qualification requirements to serve as a director under the *Business Corporations Act* (Ontario) (the "**OBCA**"), Canadian and United States securities laws and/or the applicable rules of the Canadian Securities Exchange (the "**CSE**") or any other exchange on which the Common Shares are listed, and must not be an employee of, involved in the day-to-day operations of, or have a fiduciary responsibility to, a competitor of the Company.

If The Hawthorne Collective is entitled to designate more than one Hawthorne Nominee, at least one of the Hawthorne Nominees so designated must qualify as an independent director under applicable securities laws and/or the applicable rules of the CSE or any other exchange on which the Common Shares are listed. In the event that a Hawthorne

Nominee ceases to serve as a director for any reason, The Hawthorne Collective has the right to designate a replacement Hawthorne Nominee, provided that The Hawthorne Collective remains eligible to designate a nominee and the replacement meets the qualification criteria described above.

The Company is also party to an investor rights agreement dated April 22, 2022 (the “**Etain Investor Rights Agreement**” and together with the Hawthorne Investor Rights Agreement, the “**Investor Rights Agreements**”) with BrandCo HoldCo, Hillary A. Peckham, Keeley M. Peckham, John D. Peckham and Gregory D. Peckham (collectively, the “**Etain Investors**”), pursuant to which, among other things, provided that the beneficial ownership of the Etain Investors is collectively greater than or equal to 10%, the group representative of the Etain Investors (the “**Etain Group Representative**”), is entitled to nominate one nominee for election to the Board (the “**Etain Nominee**”) commencing on the earlier of (i) the date of the second closing of the Etain Acquisition (as defined herein), or (ii) the date of finalization of this Circular.

The Etain Nominee must meet the qualification requirements to serve as a director under the OBCA, Canadian and United States securities laws and/or the applicable rules of the CSE or any other exchange on which the Common Shares are listed, and must not be an employee of, involved in the day-to-day operations of, or have a fiduciary responsibility to, a competitor of the Company.

In the event that the Etain Nominee ceases to serve as a director for any reason, the Etain Group Representative, on behalf of the Etain Investors, has the right to designate a replacement Etain Nominee, provided that the Etain Group Representative remains eligible to designate a nominee and the replacement meets the qualification criteria described above.

In addition, effective on the date on which the initial Etain Nominee is elected or appointed to the Board (the “**Initial Nomination Date**”), the Etain Group Representative, on behalf of the Etain Investors, shall have the right (but not obligation) to designate one non-voting observer to attend all meetings of the Board (the “**Etain Observer**”). The Etain Observer shall not be entitled to: (i) vote on any matters brought before the Board, or (ii) attend or receive materials related to (x) meetings or portions of meeting of the Board comprised exclusively of members of the Board other than any directors that are the Etain Nominee, the Hawthorne Nominees or members of the Company’s management team, (y) meetings of any committee of the Board unless invited by the chair of the applicable committee of the Board, or (z) meetings or portions of meetings of the Board where the Board reasonably determines that (A) access to any such materials or attendance at such meetings is reasonably likely to violate the terms of any confidentiality agreement to which the Company is subject or adversely affect the preservation of any attorney-client privilege, or (B) there could be a potential conflict as a matter of applicable corporate law as a result of the topic of discussion in the Board meeting to the Etain Observer.

The right to designate the Etain Nominee terminates on the later to occur of (i) the date that is 15 months from the Initial Nomination Date, and (ii) the first day following the date on which the Etain Investors cease to collectively have beneficial ownership greater than or equal to 10%.

The right to designate the Etain Observer terminates on the later to occur of (i) the date that is 18 months from the Initial Nomination Date, and (ii) the first day following the date on which the Etain Investors cease to collectively have beneficial ownership greater than or equal to 10%.

Pursuant to the Hawthorne Investor Rights Agreement, The Hawthorne Collective has elected to nominate Laura Curran, Christopher Hagedorn and Mark Sims to the Board. Pursuant to the Etain Investor Rights Agreement, the Etain Group Representative has elected to nominate Amy Peckham to the Board. See “*Business of Meeting – Election of Directors*”.

BUSINESS OF MEETING

To the knowledge of the Board and management of the Company, the only matters to be brought before the Meeting are those set out in the accompanying Notice and more particularly described below. **However, if other matters, which are not known to management, should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the persons voting the form of proxy.**

Presentation of Financial Statements

The Company's audited consolidated financial statements for the financial years ended March 31, 2022 and 2021 (the "Annual Financial Statements") will be placed before the Meeting. The Annual Financial Statements and management's discussion and analysis ("MD&A") for the three and twelve months ended March 31, 2022 (the "Annual MD&A") are available under the Company's profile on SEDAR at www.sedar.com or on the Company's website at www.rivcapital.com/investors and copies of these documents will also be available at the Meeting.

Election of Directors

The Board has fixed the number of directors to be elected at the Meeting at seven.

At the Meeting, Shareholders will be asked to elect the seven directors to the Board (the "Nominees"). If elected at the Meeting, each Nominee will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed. The Nominees for election as directors to the Board are Laura Curran, Christopher Hagedorn, Richard Mavrinac, Joseph Mimran, Amy Peckham, Mark Sims and Dawn Sweeney. **The Board recommends that Shareholders vote FOR the election to the Board of the foregoing Nominees designated by management of the Company to hold office until the next annual meeting of Shareholders or until a successor is duly elected or appointed. Common Shares represented by proxies in favour of the person designated on the form of proxy will be voted FOR the election to the Board of the Nominees whose names are set forth above, each of whom, if applicable, has been a director since the date indicated below opposite the Nominee's name, unless a Shareholder has specified in the form of proxy that his, her or its Common Shares are to be withheld from voting in respect of any particular Nominee or Nominees.** Management does not contemplate that any of the Nominees will be unable to serve as directors, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such Nominee(s) may be voted by the person(s) designated by management of the Company in the enclosed form of proxy, in their discretion, in favour of another Nominee, unless a Shareholder has specified in the form of proxy that his, her or its Common Shares are to be withheld from voting in respect of any particular Nominee or Nominees.

The table below sets forth the name, province or state and country of residence, date of appointment as a director (if applicable) and principal occupation during the prior five-year period of each Nominee and the number of voting securities of the Company beneficially owned, or over which control or direction is exercised, directly or indirectly, by each Nominee.

In addition, the biography of each Nominee is below. For additional information regarding the current directors' meeting attendance and fees, see "*Statement of Corporate Governance – Meetings of the Board*".

Name, Province or State and Country of Residence	Director Since ⁽¹⁾	Present Principal Occupation and Positions Held during the Preceding Five Years ⁽²⁾	Number of Common Shares Beneficially Owned or Controlled ⁽³⁾
Laura Curran ⁽⁴⁾⁽⁵⁾ New York, United States	N/A	April 2022 to present – Corporate Director January 2018 to December 2021 – Chief Executive of County, Nassau County January 2014 to December 2017 – Legislator, Nassau County	Nil
Christopher Hagedorn ⁽⁵⁾ Vermont, United States	August 24, 2021	January 2021 to present – Executive Vice President and Division President, The Hawthorne Gardening Company January 2017 to December 2020 - SVP, General Manager, The Hawthorne Gardening Company	Nil

Name, Province or State and Country of Residence	Director Since ⁽¹⁾	Present Principal Occupation and Positions Held during the Preceding Five Years ⁽²⁾	Number of Common Shares Beneficially Owned or Controlled ⁽³⁾
		April 2014 to January 2017 – VP & General Manager, The Hawthorne Gardening Company	
Richard Mavrinac ⁽⁶⁾⁽⁷⁾⁽⁸⁾ Ontario, Canada	September 17, 2018	March 2017 to present – Corporate Director May 2007 to March 2017 – Retired	334,036 ⁽⁹⁾
Joseph Mimran ⁽⁸⁾⁽¹⁰⁾⁽¹¹⁾ Ontario, Canada	September 17, 2018	June 2015 to present – Chairman, Gibraltar & Company, Inc. January 2002 to present – Chairman and President, Joseph Mimran & Associates Inc. January 2017 to July 2018 – Co-Chief Executive Officer, Gibraltar Opportunity, Inc. January 2017 to July 2018 – Co-Chief Executive Officer, Gibraltar Growth Corporation	611,298 ⁽¹²⁾
Amy Peckham ⁽¹³⁾ New York, United States	N/A	December 2014 to present – Chief Executive Officer, Etain, LLC April 2022 to present – General Manager for Etain Brand, RIV Capital US Services LLC December 2014 to April 2022 – Chief Executive Officer, Etain IP LLC	Nil
Mark Sims ⁽⁵⁾ Ohio, United States	August 24, 2021	March 2022 to present – President and Chief Executive Officer, RIV Capital Inc. November 2020 to March 2022 – Senior Vice President, Strategy and M&A, ScottsMiracle-Gro January 2019 to November 2020 – Vice President, Strategy, ScottsMiracle-Gro December 2014 to January 2019 – Chief Information Officer and Vice President, ScottsMiracle-Gro	Nil
Dawn Sweeney ⁽¹⁴⁾ Florida, United States	N/A	May 2020 to present – Executive-In-Residence, Georgetown University’s McDonough School of Business December 2020 to present – Principal, New England Consulting Group October 2007 to December 2019 – President and Chief Executive Officer, National Restaurant Association	Nil

Notes:

- (1) Each director’s term will continue until the next annual meeting of Shareholders or until the director resigns, becomes ineligible or unable to serve or until his or her successor is elected or appointed.
- (2) The information as to principal occupations of the Nominees, not being within the direct knowledge of the Company, has been furnished by the respective Nominees.
- (3) The information as to the number of Common Shares beneficially owned, or over which control or direction is exercised, by the Nominees directly or indirectly, not being within the direct knowledge of the Company, has been furnished by the respective Nominees or obtained from the System for Electronic Disclosure by Insiders, and may include Common Shares owned or controlled by the Nominees’ spouses and/or children and/or companies controlled by them or their spouses and/or children.

- (4) Is it expected that, if elected, Ms. Curran will serve on the Compensation, Nominating and Governance Committee of the Board (the “**CNG Committee**”).
- (5) Hawthorne Nominee.
- (6) Member of the Conflicts Review Committee of the Board (the “**Conflicts Review Committee**”).
- (7) Chair of the Audit Committee of the Board (the “**Audit Committee**”).
- (8) Member of the CNG Committee.
- (9) 150,000 Common Shares are controlled indirectly by Mr. Mavrinac through his spouse.
- (10) Member of the Audit Committee.
- (11) Chair of the Conflicts Review Committee.
- (12) 454,545 Common Shares are held indirectly by Mr. Mimran through Joseph Mimran & Associates Inc., a corporation over which Mr. Mimran has control. 143,000 Common Shares are held indirectly by Mr. Mimran through 3208575 Canada Inc., a corporation over which Mr. Mimran has control.
- (13) Etain Nominee.
- (14) Is it expected that, if elected, Ms. Sweeney will serve on the Conflicts Review Committee, the Audit Committee and the CNG Committee and act as Chair of the CNG Committee.

To the Company’s knowledge, as at August 22, 2022, the Nominees, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 945,334 Common Shares, representing approximately 0.58% of the total issued and outstanding Common Shares on a non-diluted basis.

Nominee Biographies

Laura Curran – Ms. Curran is currently a member of the board of directors of Mount Sinai South Nassau. Ms. Curran previously served as the first female County Executive of Nassau County from January 1, 2018 to December 31, 2021. In this role, Ms. Curran represented more than 1.3 million residents and prioritized restoring trust and fiscal integrity to the County government. She directed a government of more than 7,500 employees, including six unions, and created balanced budgets in excess of \$3.3 billion, earning the County’s first bond upgrade in 15 years. As County Executive, she also successfully advocated for new economic development and downtown revitalization. Under Ms. Curran’s leadership, Nassau County was named the safest community in America by U.S. News & World Report for three consecutive years. After the COVID-19 pandemic hit Nassau County, she led the County’s response to protect and inform residents, while maintaining essential County operations and advocating for businesses and schools. To protect residents and the economy from the impact of the pandemic, she focused on vaccinating as many people as possible by building a robust vaccine infrastructure. Prior to becoming County Executive, Ms. Curran served two terms as a Nassau County Legislator, working across the political aisle to successfully implement programs and pass laws. Ms. Curran previously served on the Baldwin School Board, holding positions of President and Trustee. Before her career in public service, Ms. Curran was a reporter for the New York Daily News and New York Post. Ms. Curran earned a Bachelor of Arts from Sarah Lawrence College.

Christopher Hagedorn – Mr. Hagedorn is the Executive Vice President and Division President of The Hawthorne Gardening Company, a subsidiary of The ScottsMiracle-Gro Company (“**ScottsMiracle-Gro**”) focused on providing products and solutions to the hydroponic and indoor growing industry. All aspects of The Hawthorne Gardening Company business report up through Mr. Hagedorn, who has held the position since 2014. During his tenure, Mr. Hagedorn has played a key role in the acquisition of leading hydroponic brands under The Hawthorne Gardening Company, which has locations throughout North America and in the Netherlands. Prior to his role with The Hawthorne Gardening Company, Mr. Hagedorn held various positions within ScottsMiracle-Gro, ranging from marketing roles to director of indoor gardening. He has a Bachelor’s degree from Bowdoin College.

Richard Mavrinac – Mr. Mavrinac served as the Chief Financial Officer of George Weston Limited and the Executive Vice-President of Loblaw Companies Limited, two of Canada’s largest companies operating in the retail grocery and bakery sectors, from 2002 to 2007. As Chief Financial Officer of George Weston Limited, Mr. Mavrinac’s experience encompassed all aspects of finance, including overall responsibility for financial reporting, treasury, risk management, pension and benefits, investor relations, taxation and acquisitions and divestitures. Mr. Mavrinac began his career with Loblaw Companies Limited in 1982 as Director of Taxation, subsequently holding a variety of financial positions within the company. In 1996, Mr. Mavrinac assumed the role of Senior Vice-President, Finance for George Weston Limited and Loblaw Companies Limited. Mr. Mavrinac currently serves as a director and chair of the Audit Committee of Roots Corporation and previously served as a director and member of the Compensation Committee and Audit Committee of TerrAscend and as a director and member of the Audit Committee of Gage Growth Corp., and brings experience in the retail and cannabis sectors to the Board. Mr. Mavrinac received his Bachelor of

Commerce degree from the University of Toronto in 1975 and began his career with Peat Marwick Mitchell Chartered Accountants after receiving his Chartered Accountant designation in 1978.

Joseph Mimran – Mr. Mimran is among Canada’s leading fashion and retail pioneers and entrepreneurs. Throughout his career, he has founded or co-founded and built brands that have helped define the fashion industry landscape, including Joe Fresh™, Club Monaco, Alfred Sung, Caban and, with his wife Kimberley Newport-Mimran, Pink Tartan. In addition, Mr. Mimran is the Chairman of Gibraltar & Company, Inc., and was formerly the Co-Chief Executive Officer of Gibraltar Opportunity, Inc. and Gibraltar Growth Corporation. Mr. Mimran was the founder and former Creative Director of the Joe Fresh™ brand for Loblaw Companies Limited, where he led the entire creative process for the women’s, men’s and children’s apparel line from product design to marketing and advertising to store selection and design for the merchandising of the line. Mr. Mimran founded the consulting firm Joseph Mimran & Associates Inc. (“JMA”) in 2001. In 2003, Loblaw Companies Limited engaged JMA to design home products under its President’s Choice brand, followed by all general merchandise categories by 2009. Mr. Mimran co-founded The Monaco Group (which included Alfred Sung, a high-end fashion women’s wear line, and Club Monaco, a fashion-forward, high-end casual clothing retailer) in 1980 and took the company public in 1986. The company was purchased by Dylex in 1989. In 1991, Mr. Mimran repurchased Club Monaco from Dylex, founded and launched Caban (a design-oriented home furnishings retailer) and took the business public in 1997. In 1999, he sold Club Monaco (and Caban) to Ralph Lauren for an equity value of \$77,500,000. Mr. Mimran has been the recipient of many industry awards, including the Canadian Style Award and the lifetime achievement award by the Design Exchange, and in 2015 he was inducted into Canada’s Marketing Hall of Legends. Mr. Mimran began his career at Coopers & Lybrand (now PricewaterhouseCoopers) after receiving his Chartered Accountant designation.

Amy Peckham – Ms. Peckham has served as CEO of Etain, LLC since its founding in 2015 as a women-owned and -led private company and was critical to Etain obtaining licensure in New York State as one of the state’s first five registered organizations. As CEO, all aspects of Etain report up to Ms. Peckham and her experience has encompassed development, operation and administration of Etain’s cultivation and dispensary assets in New York’s regulatory environment. Ms. Peckham also served as CEO of Etain IP LLC, a company holding and developing Etain’s intellectual property assets, prior to its acquisition of Etain IP LLC by the Company in April 2022. In the interim between the acquisition of Etain IP LLC by the Company and the present, Ms. Peckham has served as General Manager for the Etain Brand at RIV Capital US Services LLC. During her tenure at Etain, Ms. Peckham successfully spearheaded bids to win licenses for growing, processing, transporting and dispensing medical marijuana in several other states. Ms. Peckham also serves or has served as CEO for Etain MD, LLC, a company providing cannabis consulting services; Etain New Jersey, LLC, a vertically licensed alternative treatment centre in New Jersey; Beat Extracts, LLC, a hemp-focused company; Etain Health LLC, a past licensee in California; EH-NY, LLC, a realty company affiliated with Etain Health, LLC; Brandco HoldCo, a holding company; and KDBF Ventures, LLC, a realty management company. Prior to Etain’s founding and continuing through the present, Ms. Peckham served as Corporate Secretary and Management Advisor for Peckham Family Holdings, the parent company of one of the largest construction infrastructure material and construction companies in the U.S. Northeast. Ms. Peckham is currently a member of the board of directors of Peckham Industries, Inc. and is Co-Founder and Corporate Secretary of the Peckham Family Foundation.

Mark Sims – Mr. Sims is the President and Chief Executive Officer of the Company. Prior to joining the Company, Mr. Sims served as Senior Vice President, Strategy and M&A at ScottsMiracle-Gro, one of the world’s leading marketers of branded consumer lawn and garden as well as hydroponic and indoor growing products. In this role, he was responsible for leading the corporate strategy department which provides comprehensive strategy support for strategic intelligence, mergers and acquisitions, strategic planning, and internal consulting. Mr. Sims began his career with ScottsMiracle-Gro in 2007 and has held positions of increasing responsibility in strategy, M&A, enterprise risk management, process transformation and IT; including most recently serving as the CIO. Prior to joining ScottsMiracle-Gro, Mr. Sims spent 15 years in management consulting focused on business transformation to drive growth and productivity. Mr. Sims serves on the board of directors of the regional health insurance company, SummaCare, and the audit and compliance committee of their parent, Summa Health. He completed the Advanced Management Program at the Wharton School, has a Master’s in Industrial Engineering from Cleveland State University, and a Bachelor’s in Industrial and Operations Engineering from the University of Michigan.

Dawn Sweeney – Currently, Ms. Sweeney is serving as an Executive-In-Residence at Georgetown University’s McDonough School of Business. In addition, Ms. Sweeney serves as Principal for the New England Consulting Group. Ms. Sweeney was previously the longest-serving and first woman President and CEO of the National Restaurant Association where she was responsible for advancing and protecting the United States’ one million restaurants and 15 million employees and oversaw a historic shift in the organization’s governance and DE&I leadership, while more than doubling membership, employee engagement and revenues. Ms. Sweeney also led the negotiations for an equity partnership in Winsight Media, selling operational ownership of the National Restaurant Association’s Show in 2018 and executing the single largest financial transaction in National Restaurant Association’s hundred-year history. Ms. Sweeney also served in various roles, including as President of AARP Services, Vice President of Market Development for the National Rural Electric Cooperative Association and Vice President of Marketing of International Dairy Foods Association, where she launched the “milk mustache” advertising campaign. Ms. Sweeney is also an independent board member of SITE Centers Corp. (NYSE: SITC), where she serves on the Audit Committee and Compensation Committee. She is also Vice Chair of the board of Save the Children Action Network (SCAN) and on the board of MedStar’s National Rehabilitation Hospital, where she serves as Vice Chair of the Quality and Safety Committee. She previously served on the board of Save the Children US, where she led the Board Governance Review Committee. Ms. Sweeney has been twice named “Trade Association CEO of the Year” by two different national organizations. Ms. Sweeney is a member of the inaugural class of the Harvard Business School’s “Women on Boards: Succeeding as a Corporate Director” program and is also an NACD (National Association of Corporate Directors) Certified Director (2021). Ms. Sweeney earned a Bachelor of Science in Government from Colby College and an MBA in Marketing with honors from The George Washington University.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no Nominee is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, Chief Executive Officer (“CEO”) or Chief Financial Officer (“CFO”) of any company (including the Company) that:

- (a) was subject to a cease trade or similar 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 and that was issued while the Nominee was acting in the capacity of director, CEO or CFO; or
- (b) was subject to a cease trade or similar 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 Nominee ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity of a director, CEO or CFO.

To the knowledge of the Company, no Nominee:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before 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 Nominee.

To the knowledge of the Company, as at the date hereof, no Nominee has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a Nominee.

Appointment of Auditor

MNP LLP (“MNP”) is the present independent external auditor of the Company. Effective June 20, 2022, KPMG LLP, Chartered Professional Accountants (“KPMG”), who was first appointed as the independent external auditor of the Company on October 4, 2018, resigned as auditor of the Company, and was replaced by MNP at that time.

A “reporting package”, as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), is set out in Schedule “B” to this Circular. As indicated in the Notice of Change of Auditor contained in the reporting package in Schedule “B”, there have been no (i) modified opinions expressed in KPMG’s reports in connection with the audit of the Company’s financial statements for the years ended March 31, 2022 and March 31, 2021; and/or (ii) “reportable events”, as such term is defined in NI 51-102. Acknowledgements of the Notice of Change of Auditor by MNP and KPMG, respectively, are also contained in the reporting package in Schedule “B”.

At the Meeting, Shareholders will be asked to appoint MNP as auditor of the Company, to hold office until the close of the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board to fix their remuneration.

To be effective, the resolution approving the appointment of MNP as auditor of the Company until the close of the next annual meeting of Shareholders and authorizing the Board to fix their remuneration requires the affirmative vote of not less than a majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting. **The Board recommends that Shareholders vote FOR the appointment of MNP. Common Shares represented by proxies in favour of the person designated on the form of proxy will be voted FOR the resolution authorizing the appointment of MNP as auditor of the Company, to hold office for the ensuing year at a remuneration to be fixed by the Board, unless a Shareholder has specified in the form of proxy that his, her or its Common Shares are to be withheld from voting in respect thereof.**

DIRECTOR AND EXECUTIVE COMPENSATION

For the purposes of this Circular, a “Named Executive Officer” or “NEO” of the Company means each of the following individuals:

- (a) our CEO;
- (b) our CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) for Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“Form 51-102F6V”), for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the financial year.

During our financial year ended March 31, 2022 (“Fiscal 2022”), we had the following NEOs:

- Mark Sims – President and CEO;
- Narbé Alexandrian – Former President and CEO;
- Edward Lucarelli – CFO; and
- Matthew Mundy – Chief Strategy Officer, General Counsel and Corporate Secretary.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

The following table (presented in accordance with Form 51-102F6V) sets forth information concerning all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director, other than stock options and other compensation securities, for the Company's two most recently completed financial years:

Table of Compensation Excluding Compensation Securities							
Name and Position	Financial Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of All Other Compensation	Total Compensation
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<u>NEOs</u>							
Mark Sims, President and CEO, Director ⁽¹⁾	2022 ⁽²⁾	3,081 ⁽³⁾	Nil	Nil	Nil	Nil	3,081
	2021	N/A	N/A	N/A	N/A	N/A	N/A
Narbé Alexandrian, Former President and CEO, Former Director ⁽⁴⁾	2022 ⁽⁵⁾	378,000	283,500	Nil	Nil	1,498,711.19 ⁽⁶⁾⁽⁷⁾	2,160,211.19
	2021 ⁽⁸⁾	360,000	288,000	Nil	Nil	Nil	648,000
Edward Lucarelli, CFO	2022	315,000	315,000	N/A	Nil	325,500 ⁽⁶⁾	955,500
	2021	300,000	240,000	N/A	Nil	Nil	540,000
Matt Mundy, Chief Strategy Officer, General Counsel and Corporate Secretary	2022	294,000	294,000	N/A	Nil	325,500 ⁽⁶⁾	913,500
	2021	280,000	224,000	N/A	Nil	Nil	504,000
<u>Directors</u>							
Asha Daniere, Chair of the Board, Director ⁽⁹⁾	2022	60,000 ⁽¹⁰⁾	Nil	86,613 ⁽¹¹⁾	Nil	Nil	146,613
	2021	48,750 ⁽¹⁰⁾	Nil	123,349 ⁽¹¹⁾	Nil	Nil	172,099
Christopher Hagedorn, Director ⁽¹²⁾	2022 ⁽¹³⁾	Nil	Nil	Nil	Nil	Nil	Nil
	2021	N/A	N/A	N/A	N/A	N/A	N/A
Richard Mavrincac, Director	2022	Nil ⁽¹⁴⁾	Nil	114,919 ⁽¹⁵⁾	Nil	Nil	114,919
	2021	Nil ⁽¹⁴⁾	Nil	27,188 ⁽¹⁵⁾	Nil	Nil	27,188
Joseph Mimran, Director	2022	75,754 ⁽¹⁶⁾	Nil	86,613 ⁽¹⁷⁾	Nil	Nil	162,367
	2021	32,996 ⁽¹⁶⁾	Nil	117,907 ⁽¹⁷⁾	Nil	Nil	150,903
Gary Vaynerchuk, Director ⁽¹⁸⁾	2022 ⁽¹⁹⁾	Nil ⁽²⁰⁾	Nil	Nil	Nil	Nil	Nil
	2021	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Mr. Sims was appointed to the Board on August 24, 2021 and replaced Mr. Alexandrian as President and CEO of the Company on March 30, 2022.
- (2) Mr. Sims did not receive any compensation for acting as a director of the Company for the period from August 24, 2021 to March 30, 2022, and following his appointment as President and CEO, does not receive any compensation for acting as a director of the Company. Mr. Sims' compensation for Fiscal 2022 was only for a portion of the fiscal year, as he was appointed as President and CEO on March 30, 2022. Mr. Sims' annual base salary is U.S.\$450,000.

- (3) Mr. Sims was appointed as President and CEO on March 30, 2022, and his salary for the most recent financial year is prorated based on a base salary of U.S.\$450,000. Payments to Mr. Sims were calculated based on the daily rate of exchange for U.S.\$:C\$ published by the Bank of Canada on March 31, 2022.
- (4) Mr. Alexandrian was replaced by Mr. Sims as President and CEO of the Company and resigned as a director on March 30, 2022.
- (5) Mr. Alexandrian's compensation for Fiscal 2022 was only for a portion of the fiscal year, as Mr. Alexandrian was replaced by Mr. Sims as President and CEO of the Company and resigned as a director on March 30, 2022. Mr. Alexandrian's annual salary for Fiscal 2022 was \$378,000. Mr. Alexandrian did not receive any compensation in his capacity as a director of the Company during Fiscal 2022.
- (6) In connection with the Arrangement (as defined herein), which is described further in the Company's annual information form dated June 10, 2022 (the "AIF"), the Company entered into the Retention Agreements (as defined herein) with each of Messrs. Alexandrian, Lucarelli and Mundy. Pursuant to the Retention Agreements, the independent directors determined that the initial investment by The Hawthorne Collective by way of unsecured convertible promissory note from the Company in the principal amount of \$188,475,000 (being the Canadian dollar equivalent of U.S.\$150,000,000) on August 24, 2021 (the "Initial Hawthorne Investment") would constitute a Material Transaction (as defined herein) for purposes of the Retention Agreements, and accordingly each of Messrs. Alexandrian, Lucarelli and Mundy was paid a Retention Bonus (as defined herein) upon closing of the Initial Hawthorne Investment.
- (7) The Alexandrian Employment Agreement (as defined herein) was terminated on March 30, 2022. Pursuant to the Alexandrian Employment Agreement and the Alexandrian Settlement Agreement (as defined herein), Mr. Alexandrian is entitled to a termination without cause payment in the amount of \$956,211.19, which includes (i) 16.5 months base salary as of the termination date, plus (ii) the average annual bonus actually paid to Mr. Alexandrian with respect to the two completed years preceding the date of termination. Please see further details below under "Employment Agreement, Consulting and Management Agreements – Termination Without Cause".
- (8) Mr. Alexandrian did not receive any compensation in his capacity as a director of the Company during the financial year ended March 31, 2021.
- (9) Ms. Daniere will not stand for re-election at the Meeting.
- (10) Ms. Daniere received 50% of her Annual Retainer (as defined herein) for Fiscal 2021 and Fiscal 2022 in the form of RSUs. Please see further details above below under "Stock Options and Other Compensation Securities".
- (11) Includes \$71,613 for Fiscal 2022 and \$111,161 for Fiscal 2021 in fees payable to Ms. Daniere for service on the special committees formed in connection with the Company's PharmHouse Inc. joint venture and the Arrangement (as defined herein) with Canopy Growth Corporation.
- (12) Mr. Hagedorn was appointed as a director on August 24, 2021.
- (13) Mr. Hagedorn did not receive any compensation in his capacity as a director of the Company during Fiscal 2022.
- (14) Mr. Mavrinc received 100% of his Annual Retainer for Fiscal 2021 and Fiscal 2022 in the form of RSUs. Please see further details above below under "Stock Options and Other Compensation Securities".
- (15) Includes \$99,919 for Fiscal 2022 and \$15,000 for Fiscal 2021 in fees payable to Mr. Mavrinc for service on the special committees formed in connection with the Company's PharmHouse Inc. joint venture and the Arrangement (as defined herein) with Canopy Growth Corporation.
- (16) Mr. Mimran received 50% of his Annual Retainer for Fiscal 2021 and Fiscal 2022 in the form of RSUs. Please see further details above below under "Stock Options and Other Compensation Securities".
- (17) Includes \$71,613 for Fiscal 2022 and \$111,161 for Fiscal 2021 in fees payable to Mr. Mimran for service on the special committees formed in connection with the Company's PharmHouse Inc. joint venture and the Arrangement (as defined herein) with Canopy Growth Corporation.
- (18) Mr. Vaynerchuk was appointed as a director on August 24, 2021. Mr. Vaynerchuk will not stand for re-election at the Meeting.
- (19) Mr. Vaynerchuk's compensation for Fiscal 2022 was only for a portion of the fiscal year, as Mr. Vaynerchuk was appointed as a director on August 24, 2021.
- (20) Mr. Vaynerchuk received 100% of his prorated Annual Retainer for Fiscal 2022 in the form of RSUs. Please see further details above below under "Stock Options and Other Compensation Securities".

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

Compensation Securities

The following table (presented in accordance with Form 51-102F6V) sets forth information in respect of all compensation securities that were granted or issued to each NEO and director by the Company or one of its subsidiaries in Fiscal 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and Position	Type of compensation security ⁽¹⁾⁽²⁾⁽³⁾	Number of compensation securities, number of underlying securities and percentage of class ⁽⁴⁾	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant ⁽⁵⁾	Closing price of security or underlying security at year end ⁽⁵⁾	Expiry Date
				(\$)	(\$)	(\$)	
<u>NEOs</u>							
Mark Sims, President and CEO, Director ⁽⁶⁾	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Compensation Securities							
Name and Position	Type of compensation security ⁽¹⁾⁽²⁾⁽³⁾	Number of compensation securities, number of underlying securities and percentage of class ⁽⁴⁾	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant ⁽⁵⁾	Closing price of security or underlying security at year end ⁽⁵⁾	Expiry Date
				(\$)	(\$)	(\$)	
Narbé Alexandrian , Former President and CEO, Former Director ⁽⁷⁾	Performance Share Units	133,334 (0.08%) ⁽⁸⁾	April 1, 2021	N/A	0.95 ⁽⁹⁾	1.45	March 30, 2024
	Performance Share Units	224,000 (0.14%) ⁽¹⁰⁾	March 30, 2022	N/A	0.95 ⁽⁹⁾	1.45	March 30, 2024
Edward Lucarelli , CFO ⁽¹¹⁾	Performance Share Units	100,000 (0.06%) ⁽¹²⁾	April 1, 2021	N/A	0.95 ⁽⁹⁾	1.45	August 5, 2025
Matt Mundy , Chief Strategy Officer, General Counsel and Corporate Secretary ⁽¹³⁾	Performance Share Units	100,000 (0.06%) ⁽¹⁴⁾	April 1, 2021	N/A	0.95 ⁽⁹⁾	1.45	August 5, 2025
Directors							
Asha Daniere , Chair of the Board, Director ⁽¹⁵⁾	Restricted Share Units	35,756 (0.02%)	March 31, 2022	N/A	1.45	1.45	N/A
Christopher Hagedorn , Director ⁽¹⁶⁾	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Richard Mavrinac , Director ⁽¹⁷⁾	Restricted Share Units	71,513 (0.04%)	March 31, 2022	N/A	1.45	1.45	N/A
Joseph Mimran , Director ⁽¹⁸⁾	Restricted Share Units	35,756 (0.02%)	March 31, 2022	N/A	1.45	1.45	N/A
Gary Vaynerchuk , Director ⁽¹⁹⁾	Restricted Share Units	42,908 (0.03%)	March 31, 2022	N/A	1.45	1.45	N/A

Notes:

- (1) All options vest ratably in one-third increments on each of the first, second and third anniversaries of the grant date.
- (2) All restricted share units (“RSUs”) credited to Non-Employee Directors (as defined herein) vest immediately upon being credited.
- (3) Messrs. Alexandrian, Lucarelli and Mundy were granted an aggregate of 200,000, 150,000 and 150,000 performance share units (“PSUs”), respectively, on August 5, 2020. Such grants provide that the PSUs vest ratably in one-third increments on each of the first, second and third anniversaries of the first day of the financial year in which such PSUs were granted and that such PSUs are subject to a performance factor under which additional PSUs may be credited on a vesting date.
- (4) Percentage of class is calculated based on 163,838,332 Common Shares outstanding as of August 22, 2022.
- (5) The Common Shares began trading on the CSE under the symbol “RIV” on August 23, 2021 and were voluntarily delisted from the Toronto Stock Exchange (“TSX”) as of close of business on August 24, 2021. Prices prior to August 23, 2021 reflect the price of Common Shares on the TSX at that time.
- (6) Mr. Sims was appointed to the Board on August 24, 2021 and replaced Mr. Alexandrian as President and CEO of the Company on March 30, 2022. As at March 31, 2022, Mr. Sims held no options or other compensation securities. In connection with his appointment as President and CEO of the Company, Mr. Sims was granted 500,000 options on April 7, 2022, having an exercise price of \$1.47.
- (7) Mr. Alexandrian was replaced by Mr. Sims as President and CEO of the Company and resigned as a director on March 30, 2022. In connection with the Alexandrian Settlement Agreement, it was agreed that (i) the vesting of Mr. Alexandrian’s unvested PSUs, issued pursuant to a grant dated August 5, 2020, was to be accelerated to the termination date and that a performance factor, based on the volume weighted average price of the Common Shares for the 5 trading days prior to March 30, 2022, would be applied to such unvested PSUs and (ii) all of Mr. Alexandrian’s PSUs would expire two years from the termination date, being March 30, 2024 (see “Employment, Consulting and Management Agreements – Termination Without Cause” for further details). As at March 30, 2022, Mr. Alexandrian held 1,391,500 options exercisable to purchase 1,391,500 Common Shares and, after giving effect to the Alexandrian Settlement Agreement, 357,334 PSUs.
- (8) Represents the aggregate number of PSUs vested on April 1, 2021, being comprised of (i) 66,667 PSUs, representing one-third of the aggregate PSUs granted to Mr. Alexandrian on August 5, 2020, and (ii) 66,667 PSUs credited to Mr. Alexandrian as a result of the achievement of the applicable performance factor.

- (9) Represents the closing price of the Common Shares on the TSX on August 5, 2020, being the date of the original PSU grants to Messrs. Alexandrian, Lucarelli and Mundy, respectively.
- (10) Represents the aggregate number of PSUs vested on March 30, 2022 after giving effect to the Alexandrian Settlement Agreement, being comprised of (i) 133,334 PSUs, representing two-thirds of the aggregate PSUs granted to Mr. Alexandrian on August 5, 2020, and (ii) 90,668 PSUs credited to Mr. Alexandrian as a result of the achievement of the applicable performance factor. See footnote 7 for further information regarding the treatment of PSUs held by Mr. Alexandrian under the Alexandrian Settlement Agreement.
- (11) As at March 31, 2022, Mr. Lucarelli held 841,500 options exercisable to purchase 841,500 Common Shares and 200,000 PSUs.
- (12) Represents the aggregate number of PSUs vested on April 1, 2021, being comprised of (i) 50,000 PSUs, representing one-third of the aggregate PSUs granted to Mr. Lucarelli on August 5, 2020 and (ii) 50,000 PSUs credited to Mr. Lucarelli as a result of the achievement of the applicable performance factor.
- (13) As at March 31, 2022, Mr. Mundy held 666,667 options exercisable to purchase 666,667 Common Shares and 200,000 PSUs.
- (14) Represents the aggregate number of PSUs vested on April 1, 2021, being comprised of (i) 50,000 PSUs, representing one-third of the aggregate PSUs granted issued to Mr. Mundy on August 5, 2020 and (ii) 50,000 PSUs credited to Mr. Mundy as a result of the achievement of the applicable performance factor.
- (15) Ms. Daniere will not stand for re-election at the Meeting. Ms. Daniere received 50% of her Annual Retainer for Fiscal 2022 in the form of RSUs. Please see further details above under “*Table of Compensation Excluding Compensation Securities*”. As at March 31, 2022, Ms. Daniere held 75,000 options exercisable to purchase 75,000 Common Shares and 74,764 RSUs.
- (16) As at March 31, 2022, Mr. Hagedorn did not hold any options or other compensation securities.
- (17) Mr. Mavrinac received 100% of his Annual Retainer for Fiscal 2022 in the form of RSUs. Please see further details above under “*Table of Compensation Excluding Compensation Securities*”. As at March 31, 2022, Mr. Mavrinac held 75,000 options exercisable to purchase 75,000 Common Shares and 145,432 RSUs.
- (18) Mr. Mimran received 50% of his Annual Retainer for Fiscal 2022 in the form of RSUs. Please see further details above under “*Table of Compensation Excluding Compensation Securities*”. As at March 31, 2022, Mr. Mimran held 75,000 options exercisable to purchase 75,000 Common Shares and 74,764 RSUs.
- (19) Mr. Vaynerchuk will not stand for re-election at the Meeting. Mr. Vaynerchuk received 100% of his prorated Annual Retainer for Fiscal 2022 in the form of RSUs. Please see further details above under “*Table of Compensation Excluding Compensation Securities*”. As at March 31, 2022, Mr. Vaynerchuk held 42,908 RSUs.

Exercise of Compensation Securities

The following table (presented in accordance with Form 51-102F6V) sets out each exercise by a director or NEO of compensation securities in Fiscal 2022:

Exercise of Compensation Securities by Directors and NEOs							
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⁽¹⁾	Difference between exercise price and closing price on date of exercise	Total value on exercise date
			(\$)		(\$)	(\$)	(\$)
Asha Daniere, Chair of the Board, Director ⁽²⁾	RSU	31,790	N/A	March 31, 2022	1.45	N/A	46,095.50
Richard Mavrinac, Director	RSU	59,485	N/A	March 31, 2022	1.45	N/A	86,253.25
Joseph Mimran, Director	RSU	31,790	N/A	March 31, 2022	1.45	N/A	46,095.50

Notes:

- (1) The Common Shares began trading on the CSE under the symbol “RIV” on August 23, 2021 and were voluntarily delisted from the TSX as of close of business on August 24, 2021. Prices prior to August 23, 2021 reflect the price of Common Shares on the TSX at that time.
- (2) Ms. Daniere will not stand for re-election at the Meeting.

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

Unit Plan

The share unit plan for non-employee directors (the “**Unit Plan**”) was approved by the Board on March 18, 2020 and by Shareholders on September 24, 2020. The purpose of the Unit Plan is to promote a greater alignment of long-term

interests between each of the Company's directors who is not an officer or employee of the Company or any subsidiary thereof, including any non-executive Chair of the Board (a "Non-Employee Director") and Shareholders and to provide compensation for Non-Employee Directors that, together with the other director compensation mechanisms, is reflective of the responsibility, commitment and risk accompanying membership on the Board and the performance of the duties required of the various Board committees.

The following is a summary of the material terms of the Unit Plan. This summary is qualified in its entirety by reference to the Unit Plan, which is attached as Schedule "A" to the management information circular of the Company dated August 5, 2020, which is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.rivcapital.com/investors.

Eligibility

Each Non-Employee Director is eligible to receive share units, including RSUs and deferred share units ("DSUs"), under the Unit Plan. The Unit Plan does not provide for the granting of PSUs to directors.

Common Shares Subject to the Unit Plan

The Unit Plan provides that the maximum number of Common Shares that may be issued or issuable under the Unit Plan shall be a number equal to 1% of the number of issued and outstanding Common Shares on a non-diluted basis from time to time. As at August 22, 2022, the Company had 163,878,332 Common Shares issued and outstanding (on a non-diluted basis). Accordingly, the maximum number of Common Shares available for issuance pursuant to the Unit Plan is 1,638,783 being 1% of the number of issued and outstanding Common Shares on a non-diluted basis.

As at August 22, 2022, there were 381,697 RSUs and no DSUs outstanding under the Unit Plan in respect of which up to an aggregate of 381,697 Common Shares may be issued, which represents 0.23% of the outstanding Common Shares, leaving a maximum of 1,257,086 Common Shares available for issuance under the Unit Plan.

Additional Unit Plan Limits

No share units shall be granted under the Unit Plan if:

- (a) together with any other security based compensation arrangements established or maintained by the Company, such grant of share units could result, at any time, in the aggregate number of Common Shares (i) issued to Insiders (as defined in the Unit Plan), within any one-year period or (ii) issuable to Insiders, at any time, exceeding 10% of the issued and outstanding Common Shares on a non-diluted basis; or
- (b) such grant of share units to a Non-Employee Director is made on a discretionary basis or in any way other than as a value-for-value alternative to cash compensation (or as dividend equivalents) and will result in: (i) the aggregate number of Common Shares reserved for issuance to all Non-Employee Directors pursuant to outstanding share units granted under the Unit Plan on a discretionary basis or in any way other than as a value-for-value alternative to cash compensation (or as dividend equivalents) and all other security based compensation arrangements of the Company providing for equity awards other than in lieu of cash fees exceeding 1% of the total number of Common Shares then-issued and outstanding; or (ii) the Fair Market Value (as defined in the Unit Plan) of share units on their date of grant to any Non-Employee Director under the Unit Plan on a discretionary basis or in any way other than as a value-for-value alternative to cash compensation (or as dividend equivalents) and all other security based compensation arrangements of the Company providing for equity awards other than in lieu of cash fees exceeding \$150,000 per year.

Share Unit Awards

Share units elected by a Non-Employee Director as a value-for-value alternative to cash compensation that relate to the Non-Employee Director's services as a member of the Board in a fiscal year will be credited to the Non-Employee Director as of the applicable Conversion Date (as defined in the Unit Plan), which has generally been, in the case of RSUs, the last day of such fiscal year and will generally be, in the case of DSUs, on Conversion Dates during each

year as specified by the Board. The number of share units to be credited to a Non-Employee Director as of a particular Conversion Date will be determined by dividing the portion of that Non-Employee Director's Annual Remuneration (as defined in the Unit Plan) for the applicable period to be satisfied by share units by the Fair Market Value on the particular Conversion Date. The share units will be fully vested upon being credited to the Non-Employee Director.

Subject to limits described above under "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – Additional Unit Plan Limits*", the Board may also award such number of share units to a Non-Employee Director as it deems advisable to provide the Non-Employee Director with appropriate equity-based compensation for their services. The Board will determine the date on which such share units are granted and the Conversion Date as of which they will be awarded to the Non-Employee Director, together with any terms or conditions with respect to the vesting of such share units. The Company and a Non-Employee Director who receives such a discretionary award of share units will enter into an award agreement to evidence the award and the terms applicable thereto.

Redemption of Share Units

Subject to the discretion of the Board, each grant of share units, in the form of RSUs awarded to a Non-Employee Director as a value-for-value alternative to cash compensation will be redeemable in three equal instalments on each of the first three anniversaries of the applicable Conversion Date. Subject to the discretion of the Board, each grant of share units in the form of DSUs awarded to a Non-Employee Director as a value-for-value alternative to cash compensation will be redeemable following the conclusion of the Non-Employee Director's membership on the Board (provided the Non-Employee Director is not then a director, officer or employee of the Company or any subsidiary thereof).

Share units credited to a Non-Employee Director's account as a discretionary award that have vested will be redeemable in accordance with the terms (including pursuant to any award agreement) governing such discretionary award.

Settlement of Share Units

A Non-Employee Director whose share units are redeemed will be entitled to receive one Common Share for each whole share unit then being settled.

Change of Control

In the event of a Change in Control (for the purposes of this section, as defined in the Unit Plan), all share units that have been awarded and not redeemed prior to such Change in Control shall be redeemed immediately prior to the effective time of the Change in Control.

LTIP

The Company's long term incentive plan ("**LTIP**") was approved by the Board on August 5, 2020 and by Shareholders on September 24, 2020. The purpose of the LTIP is to (i) promote further alignment of interests between officers, employees and other eligible service providers of the Company and Shareholders, (ii) to associate a portion of the compensation payable to officers, employees and other eligible service providers of the Company with the returns achieved by Shareholders; and (iii) to attract and retain officers, employees and other eligible service providers with the knowledge, experience and expertise required by the Company.

The following is a summary of the material terms of the LTIP. This summary is qualified in its entirety by reference to the LTIP, which is attached as Schedule "B" to the management information circular of the Company dated August 5, 2020, which is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.rivcapital.com/investors.

Eligibility

Any individual employed by the Company, including a Service Provider (as defined in the LTIP), who, by the nature of his or her position or job is, in the opinion of the Board, in a position to contribute to the success of the Company is eligible to receive grants of options, Restricted Share Units (as defined in the LTIP), PSUs, Stock Appreciation Rights (as defined in the LTIP) and Restricted Stock (as defined in the LTIP) (for the purposes of this section, “**Grants**”) under the LTIP provided that only officers and employees of the Company shall be eligible to receive options under the LTIP.

Common Shares Subject to the LTIP

The aggregate number of Common Shares that may be issued pursuant to Grants made under the LTIP together with all other security-based compensation arrangements of the Company shall be a number equal to 10% of the aggregate number of issued and outstanding Common Shares from time to time. As at August 22, 2022, the Company had 163,878,332 Common Shares issued and outstanding (on a non-diluted basis). Accordingly, the maximum number of Common Shares available for issuance pursuant to the LTIP is 5,309,719, being 10% of the number of issued and outstanding Common Shares, less the number of awards outstanding under the Company’s other security-based compensation arrangements.

As at August 22, 2022, there were a total of 1,326,750 PSUs and 800,000 options outstanding under the LTIP. Therefore, together with all of the currently issued and outstanding RSUs under the Unit Plan and options under the Company’s option plan (the “**Option Plan**”), up to 11,078,114 Common Shares may be issued pursuant to the Company’s security-based compensation arrangements (or 6.76% of the Common Shares issued and outstanding), leaving a maximum of 5,309,719 Common Shares available for issuance under the LTIP.

The aggregate number of Common Shares reserved for issuance to any one participant under the LTIP (for the purposes of this section, a “**Participant**”), together with all other security-based compensation arrangements of the Company, must not exceed 5% of the aggregate issued and outstanding Common Shares.

For purposes of computing the total number of Common Shares available for grant under the LTIP or any other security-based compensation arrangement of the Company, Common Shares subject to any Grant (or any portion thereof) that are forfeited, surrendered, cancelled or otherwise terminated, including if a number of Common Shares covered by an option have not been issued due to the exercise of a tandem Stock Appreciation Right connected with such option, prior to the issuance of such Common Shares, shall again be available for grant under the LTIP.

Additional LTIP Limits

The maximum number of Common Shares that are (i) issued to Insiders (as defined in the LTIP) within any one year period, and (b) issuable to Insiders, at any time, under the LTIP, or when combined with all of the Company’s other security based compensation arrangements, will not exceed 10% of the number of the aggregate issued and outstanding Common Shares.

The Company has the ability to continue granting options, Restricted Share Units, PSUs, Stock Appreciation Rights and Restricted Stock under the LTIP until September 24, 2023, which is the date that is three years from the date of approval of the LTIP by the Shareholders of the Company.

Grants under the LTIP

Options issued under the LTIP, unless otherwise designated by the Board, will vest one-third of each Grant on the first three anniversaries of the date of the Grant based on continued employment, and may be exercised during a period determined by the Board, which may not exceed five years. The exercise price for each Common Share subject to an option will be fixed by the Board but under no circumstances may any exercise price be less than 100% of the Market Price (as defined in the LTIP) on the date of grant of the option. The exercise of options may be subject to vesting conditions, including specific time schedules for vesting and performance-based conditions. In addition, tandem Stock Appreciation Rights may be granted in connection with a grant of options, which are subject to the same terms and

conditions of the grant of options. Tandem Stock Appreciation Rights may be exercised only if and to the extent the related options are vested and exercisable, and on exercise of a tandem Stock Appreciation Right, the related option will be cancelled and the Participant will be entitled to the amount in settlement of the tandem Stock Appreciation Rights. Upon exercise, the tandem Stock Appreciation Right will be settled by a cash amount equal to the amount, if any, by which the Market Price on the date of exercise of the tandem Stock Appreciation Right exceeds the exercise price of the related option at the time of the Grant. Such amounts may also be payable by the issuance of Common Shares (at the discretion of the Board).

Under the LTIP, Participants may be granted standalone Stock Appreciation Rights, being a right to receive a cash amount equal to the amount, if any, by which the Market Price on the date of exercise of the Stock Appreciation Right exceeds the Market Price at the time of the Grant. Such amounts may also be payable by the issuance of Common Shares (at the discretion of the Board). The vesting of Stock Appreciation Rights may also be subject to conditions similar to those which may be imposed on the exercise of options. Standalone Stock Appreciation Rights shall be settled upon vesting.

Under the LTIP, Participants may be allocated share units in the form of Restricted Share Units or PSUs (collectively, “**Share Units**”), which represent the right to receive an equivalent number of Common Shares or the Market Price on the vesting date. The issuance of such Common Shares may be subject to vesting requirements similar to those described above with respect to the exercisability of options and Stock Appreciation Rights, including such time or performance-based conditions as may be determined from time to time by the Board in its discretion. The LTIP provides for the express designation of share units as either Restricted Share Units, which have time-based vesting conditions, or PSUs, which have performance-based vesting conditions over a specified period.

Under the LTIP, Participants may be granted Restricted Stock, being Common Shares that are subject to a restriction on the Participant’s free enjoyment of the Common Shares, which restrictions may be based on the passage of time or the satisfaction of performance-based conditions or the occurrence of one or more events or conditions as the Board may determine. Restricted Stock cannot be sold, transferred or assigned while the restrictions remain in effect, although the Participant may vote the Restricted Stock and receive any dividends paid on the Restricted Stock during such period. Restricted Stock is forfeited if the applicable restriction does not lapse prior to the date or the occurrence of the specified event or the satisfaction of the criteria in the Grant agreement.

Termination of Grants

Subject to the terms of the applicable Grant agreement, in the case of a Participant’s termination of employment due to death, or in the case of the Participant’s Disability (as defined in the LTIP) (i) those of the Participant’s outstanding options and Share Units that were granted prior to the year that includes the Participant’s date of death or Disability, as the case may be, that have not become vested prior to such date of death or Disability shall, in the case of Share Units, continue to vest for the balance of the vesting period specified in the applicable Grant agreement (and, in the case of PSUs, subject to the achievement of the applicable performance conditions and the adjustment of the number of PSUs that vest to reflect the extent to which such performance conditions were achieved) and, in the case of options, continue to vest, and upon vesting be exercisable, during the 12-month period following such date of death or Disability, as the case may be, as if the Participant had remained employed throughout such applicable period and (ii) those of the Participant’s outstanding options that have become vested prior to the Participant’s date of death or Disability shall continue to be exercisable during the 12-month period following the such date of death or Disability, as the case may be. A pro-rated number of options and Share Units granted to a Participant in the year that includes the Participant’s date of death or Disability shall remain eligible to vest following such date of death or Disability (the “**Special Pro Rated Grants**”). The Special Pro Rated Grants shall, in the case of Share Units, continue to vest for the balance of the vesting period specified in the applicable Grant agreement (and, in the case of PSUs, subject to the achievement of the applicable performance conditions and the adjustment of the number of PSUs that vest to reflect the extent to which such performance conditions were achieved), and, in the case of options, continue to vest, and upon vesting be exercisable, during the 12-month period following the Participant’s date of death or Disability, as the case may be, as if the Participant had remained employed throughout such applicable period. The balance of the options and Share Units granted to a Participant in the year that includes the Participant’s date of death or Disability that are not Special Pro Rated Grants shall be forfeited and cancelled as of the Participant’s date of death or Disability, as the case may be.

Subject to the terms of the applicable Grant agreement: (a) in the case of a Participant's termination without cause, the Participant's outstanding options that have become vested prior to the Participant's termination shall continue to be exercisable during the 90-day period following the Participant's date of termination, while Share Units shall vest on a pro rated basis based on the term of service (having regard, for PSUs, the extent to which the applicable performance conditions were satisfied) at the end of the vesting period specified in the applicable Grant agreement; and (b) in the case of a Participant's resignation, the Participant's outstanding options that have become vested prior to the date on which the Participant provides notice to the Company of his or her resignation shall continue to be exercisable during the 60-day period following the Participant's date of resignation, but no Share Units that have not vested prior to the date of on which the Participant submits his or her resignation shall vest and all such Share Units shall be forfeited immediately. In the case of a Participant's termination for cause, any and all then outstanding unvested options and unvested Share Units granted to the Participant shall be immediately forfeited and cancelled, without any consideration therefore, as of the commencement of the day that notice of such termination is given.

In the event that a holder of Restricted Stock is terminated, unless the Grant agreement provides otherwise or as otherwise determined by the Board, all Restricted Stock will be forfeited to the Company.

Change of Control

In the event of a Change in Control (for the purposes of this section, as defined in the LTIP) prior to the vesting of a Grant, and subject to the terms of a Participant's employment agreement and the applicable Grant agreement, the Board shall have full authority to determine in its sole discretion the effect, if any, of a Change in Control on the vesting, exercisability, settlement, payment or lapse of restrictions applicable to a Grant.

Option Plan

The Option Plan was approved by the Board on August 5, 2019 and by Shareholders on September 26, 2019. Following the approval of the LTIP by the Board on August 5, 2020 and by Shareholders on September 24, 2020, the Company has ceased issuing options pursuant to the Option Plan and will only issue options pursuant to the LTIP going forward. All unallocated Common Shares issuable pursuant to the Option Plan will cease to be reserved for issuance under the Option Plan. All outstanding options that were issued pursuant to the Option Plan will continue to be governed by the Option Plan, but upon the expiry or termination of such options, the Common Shares underlying the options will no longer be available for issuance under the Option Plan.

The following is a summary of certain terms of the Option Plan. This summary is qualified in its entirety by reference to the Option Plan, which is attached as Schedule "A" to the management information circular of the Company dated August 6, 2019, which is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.rivcapital.com/investors.

As at August 22, 2022, there were 8,569,667 options outstanding under the Option Plan.

Exercise of Options

Subject to the provisions of the Option Plan and the particular option, an option may be exercised, in whole or in part, by delivering a written notice of exercise to the Company along with payment in cash or certified cheque for the full amount of the purchase price of the Common Shares then being purchased.

Term and Expiry Date

The period within which options may be exercised and the number of options which may be exercised in any such period were determined by the Board at the time of granting the options provided, subject to a maximum term of five years from the date of the option grant.

Vesting

The Option Plan provides that all options granted pursuant to the Option Plan are subject to such vesting requirements as may be prescribed by the stock exchange on which the Company's securities are listed, if applicable, or as may be imposed by the Board. The Option Plan further provides that all options granted to investor relations persons must vest in stages over not less than 12 months, with no more than one-quarter of the options vesting in any three-month period.

Termination of Options

An optionee who ceases to be an Eligible Person (as defined in the Option Plan) for any reason, other than as a result of having been dismissed for cause or as a result of the optionee's death, may exercise any vested and unexpired options held by such optionee for a period of 90 days from the date of cessation (or until the normal expiry date of the option rights of such optionee, if earlier), subject to extension by the Board for up to a maximum of 12 months. The Option Plan provided that an optionee who was engaged in providing investor relation activities may exercise any vested and unexpired options held by such optionee for a period of 30 days from the date that the optionee ceased to provide such investor relations activities.

In the event of a death of the optionee, the optionee's representative may exercise any vested and unexpired options held by the optionee for a period of 12 months from the optionee's death (unless such period is extended by the Board). Any extension of the exercise period by the Board is subject to the approval of the stock exchange on which the Company's securities are listed.

If an optionee ceases to be an Eligible Person as a result of having been dismissed for cause, all unexercised options of that optionee under the Option Plan will immediately terminate and will lapse.

Change of Control

In the event of an Acceleration Event (as defined in the Option Plan), provided that the Board has determined that no adjustment will be made pursuant to the Option Plan, the Board may (i) permit the optionee to exercise the option granted, as to all or any of the optioned 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 of the option), so that the optionee may participate in such transaction, offer or proposal; and (ii) require the acceleration of the time for the exercise of such option and of the time for the fulfilment of any conditions or restrictions on such exercise. Further, the Board, in its sole discretion, may authorize and implement any one or more of the following additional courses of action in the event of an Acceleration Event:

- (a) terminating without any payment or other consideration, any options not exercised or surrendered by the effective time of the Acceleration Event;
- (b) causing the Company to offer to acquire from each optionee his or her options for a cash payment equal to the In-the-Money Amount (as defined in the Option Plan), and any options not so surrendered or exercised by the effective time of the Acceleration Event will be deemed to have expired; and
- (c) an option granted under the Option Plan may be exchanged for an option to acquire, for the same aggregate consideration, that number and type of securities as would be distributed to the optionee in respect of the shares issued to the optionee had he or she exercised the option prior to the effective time of the Acceleration Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Acceleration Event, regardless of the continuing directorship, officership or employment of the optionee.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

Employment and Retention Agreements

The Company has written employment agreements with Messrs. Lucarelli and Mundy and an offer letter, a non-compete and non-solicitation agreement and an executive severance agreement with Mr. Sims. Under these agreements, the NEOs are required to work full time for the Company and are eligible to receive equity incentives and performance-based variable pay opportunities. The material terms and conditions of such agreements are set out below.

In addition, the Company entered into an employment agreement, as amended, with Narbé Alexandrian governing Mr. Alexandrian's role as former President and CEO of the Company (the "**Alexandrian Employment Agreement**") which was terminated by the Company on March 30, 2022. The Alexandrian Employment Agreement includes standard non-competition and non-solicitation provisions during the term of the agreement and for a period of up to 12 months thereafter. The Company and Mr. Alexandrian have also entered into the Alexandrian Settlement Agreement.

The Company has entered into an offer letter with Mark Sims governing Mr. Sims' role as President and CEO of the Company (the "**Sims Offer Letter**"). The Sims Offer Letter has no specified term. Mr. Sims may choose to resign at any time for any reason and the Company may choose to end Mr. Sims' employment at any time for any reason. The Company and Mr. Sims have also entered into a non-compete and non-solicitation agreement (the "**Sims Non-Compete and Non-Solicitation Agreement**") and an executive severance agreement (the "**Sims Severance Agreement**"). The Sims Non-Compete and Non-Solicitation Agreement includes standard non-competition and non-solicitation provisions during the term of the agreement and for a period of up to 24 months thereafter.

The Company has entered into an employment agreement, as amended, with Edward Lucarelli governing Mr. Lucarelli's role as CFO of the Company (the "**Lucarelli Employment Agreement**"). The Lucarelli Employment Agreement continues indefinitely, until terminated in accordance with the terms of the agreement. The Lucarelli Employment Agreement includes standard non-competition and non-solicitation provisions during the term of the agreement and for a period of up to 12 months thereafter.

The Company has entered into an employment agreement, as amended, with Matthew Mundy governing Mr. Mundy's role as Chief Strategy Officer, General Counsel and Corporate Secretary of the Company (the "**Mundy Employment Agreement**"). The Mundy Employment Agreement continues indefinitely, until terminated in accordance with the terms of the agreement. The Mundy Employment Agreement includes standard non-competition and non-solicitation provisions during the term of the agreement and for a period of up to 12 months thereafter.

In connection with the closing of the plan of arrangement among the Company, RIV Capital Corporation, Canopy Growth Corporation and The Tweed Tree Lot Inc. in February of 2021 (the "**Arrangement**"), the Company also entered into the retention agreements with each of Messrs. Alexandrian, Lucarelli and Mundy, as amended on April 29, 2021 (the "**Retention Agreements**"). Pursuant to the Retention Agreements, the Company agreed to pay a cash retention bonus (the "**Retention Bonus**") equal to, at the option of each of Messrs. Alexandrian, Lucarelli and Mundy, either (i) \$542,500 to Mr. Alexandrian and \$325,000 to each of Messrs. Lucarelli and Mundy; or (ii) an amount that is the product of (A) 250,000 in the case of Mr. Alexandrian; and (B) 150,000 in the case of each of Messrs. Lucarelli and Mundy, multiplied by the five-day volume weighted average trading price of the Common Shares as at the Valuation Date (as defined below). The election by each of Messrs. Alexandrian, Lucarelli and Mundy was required to be made by the election deadline, being the date that is three days prior to the closing of a Material Transaction (as defined below).

The Retention Bonuses were only to be payable upon closing of the first Material Transaction, provided that, among other things, the executive remained an employee of the Company or an affiliate of the Company at the date of closing of such Material Transaction. A "**Material Transaction**" is defined in the Retention Agreements as: (i) a transaction that satisfies any of the three significance tests set out in subsection 8.3(2) of NI 51-102 if "30 percent" is read as "50 percent"; (ii) a transaction described in paragraphs (a) or (c) of the definition of "restructuring transaction" in NI 51-

102; or (iii) such other transaction not referred to in clause (i) or (ii) above determined by the independent directors of the Company in good faith.

The independent directors determined that the Initial Hawthorne Investment constituted a Material Transaction for purposes of the Retention Agreements, and accordingly, each of Messrs. Alexandrian, Lucarelli and Mundy was paid a Retention Bonus upon closing of the Initial Hawthorne Investment.

The “**Valuation Date**” is defined in the Retention Agreements as the earliest of the date (i) that is 12 months after the date of completion of the first Material Transaction; (ii) immediately prior to the date on which the Common Shares are no longer listed or posted for trading on any exchange or market; (iii) that is five business days before December 31, 2022; and (iv) on which Messrs. Alexandrian, Lucarelli or Mundy, as applicable, provide written notice to the Board.

Termination Without Cause

Each of the Lucarelli Employment Agreement and the Mundy Employment Agreement provide that if the Company terminates the executive’s employment, other than for cause, the executive is entitled to (i) nine months’ notice or salary in lieu thereof, plus one month for every year and part year that the executive has been employed by the Company (subject to a maximum of 18 months), plus (ii) the average annual bonus actually paid to the executive with respect to the two completed years preceding the date of termination. In addition, if the Company terminates the employment of Messrs. Lucarelli or Mundy other than for cause, all of their unvested options will vest immediately.

The Sims Severance Agreement provides that if the Company terminates Mr. Sims’ employment, other than for cause, Mr. Sims is entitled to (i) twenty-four months’ notice or salary in lieu thereof, plus payments representing the Company’s employer contributions towards his health insurance, plus (ii) a bonus for the year in which the termination occurs based on the portion of the year elapsed prior to the termination date and the Board’s determination as to the satisfaction of applicable bonus criteria; provided, however, that for the 2023 fiscal year, Mr. Sims is entitled to receive a guaranteed bonus. Mr. Sims would also be entitled to payments representing the Company’s employer contributions towards his health insurance for twenty-four months. In addition, if the Company terminates Mr. Sims employment other than for cause, unvested options that would otherwise vest during the year in which Mr. Sims is terminated will vest immediately.

The Alexandrian Employment Agreement was terminated on March 30, 2022. The Company and Mr. Alexandrian reached an agreement on August 23, 2022 (the “**Alexandrian Settlement Agreement**”), with the settlement and release documentation currently being finalized. Pursuant to the terms of the Alexandrian Employment Agreement and the Alexandrian Settlement Agreement, Mr. Alexandrian is entitled to a termination without cause payment in the amount of \$956,211.19, which includes (i) 16.5 months base salary as of the termination date, plus (ii) the average annual bonus actually paid to Mr. Alexandrian with respect to the two completed years preceding the date of termination. Mr. Alexandrian is also entitled to continue to participate in the Company’s benefits plans for 16.5 months. In connection with the Alexandrian Settlement Agreement, it was agreed that (i) the vesting of Mr. Alexandrian’s unvested PSUs, issued pursuant to a grant dated August 5, 2020, was to be accelerated to the termination date and that a performance factor, based on the volume weighted average price of the Common Shares for the 5 trading days prior to March 30, 2022, would be applied to such unvested PSUs, (ii) all of Mr. Alexandrian’s PSUs would expire two years from the termination date, being March 30, 2024 and (iii) the vesting of Mr. Alexandrian’s options was to be accelerated to the termination date and such options are required to be exercised within 90 days of the date of the Alexandrian Settlement Agreement, being November 21, 2022. As of March 30, 2022, none of Mr. Alexandrian’s options were “in-the-money”. Based upon the closing price of the Common Shares on March 30, 2022, the market value of Mr. Alexandrian’s PSUs, as of March 30, 2022, was \$557,441. Please see further details above under “*Table of Compensation Excluding Compensation Securities*”.

Estimated Incremental Payments on Termination Without Cause

The following table sets forth the estimated incremental payments and benefits that would be received following termination without cause of the Named Executive Officers had such event occurred on March 31, 2022:

Name⁽¹⁾	Cash Termination Payment (\$)	Accelerated Vesting of Compensation Securities (\$)	Bonus (\$)	Total (\$)
Mark Sims, CEO	1,124,640 ⁽²⁾	– ⁽³⁾	– ⁽⁴⁾	1,124,640
Edward Lucarelli, CFO	367,500	133,544 ⁽⁵⁾	170,000	671,044
Matt Mundy, Chief Strategy Officer, General Counsel and Corporate Secretary	318,500	133,544 ⁽⁵⁾	152,000	604,044

Notes:

- (1) The Alexandrian Employment Agreement was terminated on March 30, 2022. Please refer to the “*Table of Compensation Excluding Compensation Securities*” and “*Employment Agreement, Consulting and Management Agreements – Termination Without Cause*” above for a summary of Mr. Alexandrian’s entitlements in connection with the termination of the Alexandrian Employment Agreement.
- (2) Calculated based on the daily rate of exchange for U.S.\$:C\$ published by the Bank of Canada on March 31, 2022. Mr. Sims would also be entitled to payments representing the Company’s employer contributions towards his health insurance for twenty-four months.
- (3) As of March 31, 2022, Mr. Sims did not hold any options. Mr. Sims was granted 500,000 options on April 7, 2022. Pursuant to the Sims Severance Agreement, if the Company terminates Mr. Sims’ employment without cause, unvested options that would otherwise vest during the year in which Mr. Sims is terminated will vest immediately.
- (4) Mr. Sims was not entitled to any bonus in respect of Fiscal 2022. For the year ended March 31, 2023, Mr. Sims is entitled to a guaranteed bonus of U.S.\$350,000. Pursuant to the Sims Severance Agreement, in connection with a termination of Mr. Sims’ employment without cause, Mr. Sims is entitled to a bonus for the year in which the termination occurs based on the portion of the year elapsed prior to the termination date and the Board’s determination as to the satisfaction of applicable bonus criteria; provided, however, that for the 2023 fiscal year, Mr. Sims is entitled to receive the guaranteed bonus amount.
- (5) Upon a termination without cause effective March 31, 2022, certain unvested options held by the NEOs on the date of termination would vest. As of March 31, 2022, none of the unvested options held by Messrs. Lucarelli and Mundy were “in-the-money”. In addition, upon a termination without cause effective March 31, 2022, certain unvested PSUs held by the NEOs on the date of termination would vest. The value attributed to such PSUs was calculated by multiplying the closing price of the Common Shares on the CSE on March 31, 2022, which was \$1.45, by the number of unvested PSUs that would vest.

Change of Control

The Lucarelli Employment Agreement and the Mundy Employment Agreement provide that if (a) the Company terminates the executive’s employment, other than for cause, within 12 months following a change of control, or (b) the terms of the executive’s employment are materially changed without the express consent of the employee in writing and the executive elects to resign within 12 months of a change of control, the executive is entitled to receive (i) 12 months’ notice or salary in lieu thereof, plus one month’s salary for every year and part year that the executive has been employed by the Company (subject to a maximum of 18 months), plus (ii) the average annual bonus actually paid to the executive with respect to the two completed years preceding the date of termination. In addition, in the event of a change of control, certain of the unvested options held by Messrs. Lucarelli or Mundy will vest immediately and others will terminate unless the Board, in its discretion, approves the accelerated vesting of such options.

The Sims Severance Agreement provides that if the Company terminates Mr. Sims’ employment upon a change of control, Mr. Sims is entitled to (i) twenty-four months’ salary, plus payments representing the Company’s employer contributions towards his health insurance, plus (ii) a bonus for the year in which the termination occurs based on the portion of the year elapsed prior to the termination date and the Board’s determination as to the satisfaction of applicable bonus criteria; provided, however, that for the 2023 fiscal year, Mr. Sims is entitled to receive a guaranteed bonus. Mr. Sims would also be entitled to payments representing the Company’s employer contributions towards his health insurance for twenty-four months. In addition, if Mr. Sims’ employment terminates upon a change of control, unvested options that would otherwise vest during the year in which Mr. Sims is terminated will vest immediately.

The terms of the Alexandrian Employment Agreement, which was terminated on March 30, 2022, were materially similar to those of the Lucarelli Employment Agreement and the Mundy Employment Agreement. Please refer to the *Table of Compensation Excluding Compensation Securities* and “– Termination Without Cause” above for a summary of Mr. Alexandrian’s entitlements in connection with the termination of the Alexandrian Employment Agreement.

Estimated Incremental Payments on Change of Control

The following table sets forth the estimated incremental payments and benefits that would be received by the Named Executive Officers following a change of control had such event occurred on March 31, 2022:

Name ⁽¹⁾	Cash Termination Payment (\$)	Accelerated Vesting of Compensation Securities (\$)	Bonus (\$)	Total (\$)
Mark Sims, CEO	1,124,640 ⁽²⁾	– ⁽³⁾	– ⁽⁴⁾	1,124,640
Edward Lucarelli, CFO	446,250	214,600 ⁽⁵⁾	170,000	830,850
Matt Mundy, Chief Strategy Officer, General Counsel and Corporate Secretary	392,000	214,600 ⁽⁵⁾	152,000	758,600

Notes:

- (1) The Alexandrian Employment Agreement was terminated on March 30, 2022. Please refer to the “*Table of Compensation Excluding Compensation Securities*” and “*Employment Agreement, Consulting and Management Agreements – Termination Without Cause*” above for a description of Mr. Alexandrian’s entitlements in connection with the termination of the Alexandrian Employment Agreement.
- (2) Calculated based on the daily rate of exchange for U.S.\$:C\$ published by the Bank of Canada on March 31, 2022. Mr. Sims would also be entitled to payments representing the Company’s employer contributions towards his health insurance for twenty-four months.
- (3) As of March 31, 2022, Mr. Sims did not hold any options. Mr. Sims was granted 500,000 options on April 7, 2022. Pursuant to the Sims Severance Agreement, if the Company terminates Mr. Sims’ employment upon a change in control, unvested options that would otherwise vest during the year in which Mr. Sims is terminated will vest immediately.
- (4) Mr. Sims was not entitled to any bonus in respect of Fiscal 2022. For the year ended March 31, 2023, Mr. Sims is entitled to a guaranteed bonus of U.S.\$350,000. Pursuant to the Sims Severance Agreement, if the Company terminates Mr. Sims’ employment upon a change of control, Mr. Sims is entitled to a bonus for the year in which the termination occurs based on the portion of the year elapsed prior to the termination date and the Board’s determination as to the satisfaction of applicable bonus criteria; provided, however, that for the 2023 fiscal year, Mr. Sims is entitled to receive the guaranteed bonus amount.
- (5) Upon the termination of certain NEOs other than for cause, within 12 months following a change of control or if the terms of such NEOs’ employment are materially changed without the express consent of the NEO in writing and the NEO elects to resign within 12 months of a change of control, certain unvested options held by the NEOs on the date of termination or resignation would vest. As of March 31, 2022, none of the unvested options held by Messrs. Lucarelli and Mundy were “in-the-money”. The Board exercised its discretion under the executive employment agreements to determine that a change of control occurred for the purposes of the executive employment agreements on the closing of the Initial Hawthorne Investment. In addition, upon the termination of certain NEOs other than for cause, within 6 months following a change of control or if the terms of such NEOs’ employment are materially changed without the express consent of the NEO in writing and the NEO elects to resign within 6 months of a change of control, certain unvested PSUs held by the NEOs on the date of termination would vest. The value attributed to such PSUs was calculated by multiplying the closing price of the Common Shares on the CSE on March 31, 2022, which was \$1.45, by the number of unvested PSUs that would vest. The Board exercised its discretion under certain PSU grant agreements to determine that a change of control occurred for the purposes of such agreements on the closing of the Initial Hawthorne Investment.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND EXECUTIVE COMPENSATION

The CNG Committee is constituted by the Board to assist the Board with fulfilling its corporate governance responsibilities under applicable laws, to promote a culture of integrity throughout the Company, to assist the Board in setting director and executive officer compensation and to develop and submit to the Board recommendations with respect to other employee benefits as it sees fit.

For additional information regarding the composition of the CNG Committee and the CNG Committee members’ relevant education and experience see “*Statement of Corporate Governance – The Compensation, Nominating and Governance Committee*” and “*Business of Meeting – Election of Directors – Nominee Biographies*”, respectively.

Objectives and General Principles of the Company's Compensation Program

The Company's executive compensation program is designed to achieve the following objectives and general principles: (i) establish sound corporate governance practices that are in the best interest of Shareholders and that contribute to effective and efficient decision-making; (ii) offer competitive compensation to attract, retain and motivate qualified executives to best allow the Company to meet its goals; and (iii) act in the best interests of the Company and the Shareholders through a fiscally prudent approach.

Guided by these objectives and principles, the CNG Committee annually reviews, approves and recommends to the Board for approval the remuneration of the senior executives of the Company, namely, any executives in the offices (as applicable) of the CEO, President, CFO, Chief Strategy Officer, General Counsel, Chief Operating Officer, Vice Presidents and any senior executives of the Company having comparable positions as may be specified by the Board (collectively, the "**Senior Executives**"), including the various elements of Senior Executive remuneration. The remuneration of the Senior Executives other than the CEO is reviewed by the CNG Committee in consultation with the CEO, and is designed to reward both individual and corporate performance as described below.

How the Company Determines Compensation

The CNG Committee is responsible for, among other things, reviewing and making recommendations to the Board with respect to the remuneration of the Senior Executives and directors of the Company. In doing so, the CNG Committee may use information gathered from an independent compensation consultant, if engaged, a comparison of the Company's remuneration policies with the remuneration practices of its peers in the cannabis industry with a similar market capitalization to the Company, its own assessment of individual and corporate performance, and feedback from the CEO in order to establish compensation strategies for the Senior Executives. The CNG Committee also reviews, approves and recommends to the Board for approval and administers the Company's share-based compensation plans, including the Option Plan, the Unit Plan and the LTIP. The compensation of all of the Senior Executives is reviewed annually by the CNG Committee and is subject to review and approval by the Board. The Board has the ultimate discretion to increase or decrease any and all elements of compensation for the Senior Executives.

With respect to employees below the level of the Senior Executives, the CEO, in consultation with the CFO and the respective Senior Executive responsible for each employee's functional area, has the authority to approve compensation strategies. However, the CNG Committee is responsible for recommending actions to the Board related to other aspects of these employees' compensation, such as bonus plans and grants pursuant to the Option Plan and LTIP.

During Fiscal 2022, the Board accepted all of the recommendations of the CNG Committee. The CNG Committee has full discretion to adopt or alter management recommendations or to consult its own external advisors. The CNG Committee believes it is important to follow appropriate governance practices in carrying out its responsibilities with respect to the development and administration of executive compensation and benefit programs. Governance practices followed by the CNG Committee include holding *in-camera* sessions without management present and, when necessary, obtaining advice from external consultants.

Elements of Executive Compensation

The Company's compensation program for the Senior Executives is comprised of the following four primary elements:

- (1) base salary;
- (2) short-term incentives, primarily in the form of an annual performance cash bonus;
- (3) long-term incentives through participation in the Unit Plan, Option Plan and LTIP, which are described in this Circular under the headings "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – Unit Plan*", "*Director and Executive Compensation – Stock Option Plans and Other*

Incentive Plans – Option Plan” and “Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – LTIP”, respectively; and

- (4) other perquisites and benefits.

Each element plays a role in meeting the Company’s compensation goals and objectives. The allocation of compensation among these different compensation elements is flexible and is intended to reflect market practice as well as the CNG Committee’s assessment of corporate and individual performance. The CNG Committee understands that retention of the Senior Executives is critical to business continuity, and the mix of compensation is designed to reward short-term results and motivate long-term performance.

Determining Each Element of Compensation

Each of the four elements of Senior Executive compensation is determined as follows:

Base Salary

The base salary for each Senior Executive is determined based on his or her responsibilities and individual performance factors, the Company’s overall corporate performance, benchmark data, compensation consultant recommendations, as applicable, and other assessments as determined by the CNG Committee and, for non-CEO Senior Executives, in conjunction with the CEO, and then is recommended to the Board for final approval. Similarly, the CEO, in consultation with the CFO and the respective Senior Executive responsible for each employee’s functional area, take into account other employees’ responsibilities and individual performance factors, the Company’s overall corporate performance and other assessments when determining base salary for other employees.

The base salaries for Senior Executives and other employees are reviewed annually by the CNG Committee or Senior Executives, as applicable, and are generally established at the beginning of the fiscal year. Base salary is considered as a part of the overall compensation package and is intended to attract and adequately remunerate the Senior Executives and other employees for properly fulfilling the minimum requirements of their position. Base salary provides compensation certainty to the Senior Executives and other employees and allows them to make decisions that are beneficial to the Company, or its stakeholders, independent of considering the impact such decisions might have on their compensation that is tied to either short-term or long-term corporate performance.

Short-Term Incentives

The Company provides short-term incentives to the Senior Executives and other employees through eligibility for annual performance cash bonuses. Each Senior Executive and other employee is eligible to receive a cash bonus which, if applicable, is paid following the determination of the Company’s annual financial results. The annual performance cash bonus for Senior Executives is reviewed and approved by the CNG Committee and then recommended to the Board for final approval.

Corporate performance and individual performance are taken into consideration when determining short-term incentives for the Senior Executives. For Fiscal 2022, 50% of the NEOs’ annual cash bonuses was allocated to corporate performance, with 25% allocated to the achievement of the Company’s targeted operating expense budget and 25% allocated to specific performance targets relating to the trading price of the Common Shares during Fiscal 2022, and the other 50% allocated to Board discretion, based upon the consideration of a number of items related to the performance of the individual and the Company over Fiscal 2022. Annual performance cash bonuses may not be paid if corporate and/or individual performance objectives are not achieved. For Fiscal 2022, Senior Executives were eligible to receive a cash bonus of up to 100% of their base salaries.

The CNG Committee attempts to align the corporate and individual performance objectives of the Senior Executives with those that the CNG Committee believes will enhance future Shareholder value. In Fiscal 2022, the key corporate performance objectives were based on: achievement of financial targets, progress on key corporate and strategic initiatives and the trading price of the Common Shares. Individual performance objectives vary based on the role and responsibilities of each Senior Executive.

From time to time, the CNG Committee may change the Company's corporate performance objectives in order to provide continued incentives to Senior Executives and other employees throughout the year, if it becomes clear that these objectives as originally outlined are unachievable as a result of external factors beyond the control of the Senior Executives.

Long-Term Incentives

Long-term incentives for Senior Executives are reviewed and approved by the CNG Committee and then recommended to the Board for final approval. Historically, the Company provided long-term incentive compensation to the Senior Executives and other employees by granting options under the Option Plan. However, the Company ceased issuing options pursuant to the Option Plan prior to the beginning of Fiscal 2022 and instead has only been issuing options pursuant to the LTIP.

The Board has determined that the grant of PSUs and other awards to Senior Executives and other employees pursuant to the LTIP may be desirable insofar as it encourages the attraction and retention of both current and potential employees and Senior Executives by affording them a proprietary interest in the Company. PSUs tie pay to performance because the value of the PSUs is based on the Common Share price and the number of PSUs that will be eligible to vest on a vesting date may be adjusted upwards based on the Common Share price performance between the grant date and the vesting date. Accordingly, declines in Common Share price have a negative impact on compensation, while increases have a positive impact. In addition, the three-year annual vesting period for the PSUs issued to the NEOs, as well as the other vesting conditions that may be set out in the award agreement for other awards granted to Senior Executives and other employees pursuant to the LTIP, serves as a retention tool for the Senior Executives and other employees.

For a more detailed description of the considerations involved in granting options and PSUs, see "*Option-Based Awards*" and "*PSU Awards*" below.

Option-Based Awards

Option holders only benefit if the market value of the Common Shares at the time of option exercise is greater than the exercise price of the options. For a detailed description of the Option Plan and the LTIP, see "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – Option Plan*" and "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – LTIP*", respectively.

The granting of options and their vesting periods are recommended by the CNG Committee and approved by the Board. The CNG Committee considers a number of factors prior to the grant of options including, but not limited to, individual and corporate performance, an individual's level of responsibility within the Company, previous award grants and the individual's position, ongoing responsibilities, overall compensation and prevailing market conditions and the recommendation of a compensation consultant, if applicable. The CEO and, when requested, the Senior Executives, are instrumental in making recommendations to the CNG Committee regarding options granted to other employees. In the context of the Company's evolving compensation philosophy, policies and practices, the CNG Committee reviews the criteria for granting options during its ongoing review of the Company's compensation philosophy, policies and practices.

PSU Awards

The benefit to be received by holders of PSUs will generally be based on the Common Share price, such that the more the Common Share price increases, the greater the benefit will be to the holder. For a detailed description of the PSUs, see "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – LTIP*".

The granting of PSUs and their vesting periods and performance conditions are recommended by the CNG Committee and approved by the Board. The CNG Committee considers a number of factors prior to the grant of PSUs including, but not limited to, individual and corporate performance, an individual's level of responsibility within the Company, previous grants of securities and the individual's position, ongoing responsibilities, overall compensation, prevailing market conditions and the recommendation of a compensation consultant, if applicable. The CEO and, when requested,

the Senior Executives, are instrumental in making recommendations to the CNG Committee regarding PSUs granted to other employees. In the context of the Company's evolving compensation philosophy, policies and practices, the CNG Committee will review the criteria for granting PSUs during its ongoing review of the Company's compensation philosophy, policies and practices.

Other Perquisites and Benefits

The Company provides a benefit plan to its Senior Executives, which includes health, medical and insurance benefits, along with a health spending account and wellness benefit. The Company believes its benefits program is reasonable and consistent with its overall executive compensation program and is based on competitive market practices. The majority of perquisites are afforded to all employees of the Company.

Director Compensation

The Company pays director fees to directors that are not NEOs or Hawthorne Nominees that are also employees of The Hawthorne Collective; directors that are also NEOs or that are employees of The Hawthorne Collective are not entitled to any compensation for serving as members of the Board. The Company also pays directors a fee for serving as the Chair of certain Board committees. In making recommendations to the Board relating to director compensation for Fiscal 2022, the CNG Committee considered director compensation offered by similar companies, its directors' time commitments and the risks and responsibilities that the directors of the Company assume.

In Fiscal 2022, each director that was not a NEO, other than Messrs. Sims and Hagedorn, received an annual retainer of \$120,000 (the "**Annual Retainer**") payable in cash, options, RSUs, deferred share units or other forms of security-based compensation approved by the Board, with a maximum of \$60,000 payable in cash. The Chair of the Board, the Chair of the Audit Committee and the Chair of the CNG Committee also received an additional annual cash retainer of \$15,000, subject to a maximum additional payment to each director of \$15,000. The Chair of the Conflicts Review Committee did not receive an additional annual cash retainer in Fiscal 2022.

RSU Awards

Each director who is not an officer or employee of the Company or any subsidiary thereof, including any Non-Employee Director is eligible to receive some or all of his or her Annual Retainer in the form of RSUs, as noted above. The benefit to be received by holders of RSUs will generally be based on the Common Share price, such that the more the Common Share price increases, the greater the benefit will be to the holder. For a detailed description of the RSUs, see "*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans – Unit Plan*".

The granting of RSUs and their redemption periods are recommended by the CNG Committee and approved by the Board. The CNG Committee considers a number of factors prior to the grant of RSUs including, but not limited to, director compensation offered by similar companies, its directors' time commitments, the recommendation of a compensation consultant, if applicable, and the risks and responsibilities that the directors of the Company assume. In the context of the Company's evolving compensation philosophy, policies and practices, the CNG Committee will review the criteria for granting RSUs during its ongoing review of the Company's compensation philosophy, policies and practices.

Compensation Plan Changes for Fiscal 2023

The Company has implemented the following director and executive compensation changes for the financial year ended March 31, 2023:

- Each of Messrs. Lucarelli, and Mundy received an increase of \$70,000 and \$81,000, respectively, to their base salary for Fiscal 2022. The increase in Messrs. Lucarelli and Mundy's base salaries was based upon the recommendation of Flower Hire Senior Advisors ("**FHSA**"), which was retained to conduct a review and provide recommendations with respect to the Company's approach to executive compensation. FHSA reviewed the Company's existing approach to executive compensation, approaches of similarly situated peers within the cannabis industry, and the Company's strategic plans and operational pivot. Accordingly, FHSA

recommended a range of executive compensation. The increase to Messrs. Lucarelli and Mundy’s base salaries is within the range.

- Annual Retainer for Non-Employee Directors increased from \$120,000 to \$225,000. The increase in the Annual Retainer was based upon the recommendation of FHSA, which was retained to conduct a review and provide recommendations with respect to the Company’s approach to Board compensation. FHSA reviewed the Company’s existing approach to Board compensation, approaches of similarly situated peers within the cannabis industry, and the Company’s strategic plans and operational pivot, and determined that the Company’s existing Board compensation was on the low end for similarly situated peers. Accordingly, FHSA recommended a range of Board compensation. The Annual Retainer is within the range.

PENSION PLAN BENEFITS

No benefits were paid to any of the NEOs under any pension or retirement plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table is a summary of compensation plans under which equity securities of the Company were authorized for issuance as of March 31, 2022:

Plan Category		Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
		(#)	(\$)	(#)
Equity compensation plans approved by security holders	Unit Plan (RSUs)	381,697	N/A	4,029,213 ⁽²⁾
	LTIP (PSUs)	1,281,997	N/A	
	Option Plan (employee and director options) ⁽¹⁾	4,009,667	3.05	
	Option Plan (consultant options) ⁽¹⁾	4,560,000	2.53	
Equity compensation plans not approved by security holders		N/A	N/A	N/A
Total		10,233,361	2.77 ⁽³⁾	4,029,213

Notes:

- (1) Following approval of the LTIP by the Board and the Shareholders, the Company has ceased issuing options pursuant to the Option Plan and will only issue options pursuant to the LTIP going forward.
- (2) Represents the maximum number of additional Common Shares remaining available for future issuance under the Option Plan, Unit Plan and LTIP based on 142,625,737 Common Shares outstanding as of March 31, 2022. Prior to the beginning of Fiscal 2022, the Company ceased issuing options pursuant to the Option Plan. Currently, the Company only issues options pursuant to the LTIP. See “*Director and Executive Compensation – Stock Option Plans and Other Incentive Plans*” for a description of material features of each plan.
- (3) Represents the weighted average exercise price of outstanding options.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who is, or at any time during Fiscal 2022 was, a director or officer of the Company, a Nominee, or any associate of any one of the foregoing persons is, or at any time since the beginning of Fiscal 2022 has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which constitute routine indebtedness) or was indebted to another entity, where such indebtedness is, or was at any time since the commencement of Fiscal 2022, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding

provided by the Company or any of its subsidiaries. For the purposes of this paragraph, “support agreement” includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described below or disclosed elsewhere herein, no “informed persons” of the Company (as defined in NI 51-102), nor any Nominee, nor any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to the issued and outstanding Common Shares, nor any associate or affiliate of the foregoing persons, has had any material interest, direct or indirect, in any transaction since the commencement of Fiscal 2022 or in any proposed transaction which has materially affected the Company or would materially affect the Company, or any of its subsidiaries.

On August 24, 2021, The Hawthorne Collective completed the Initial Hawthorne Investment. Pursuant to the Initial Hawthorne Investment, The Hawthorne Collective was granted a “top-up” option to purchase additional convertible promissory notes to increase its pro rata ownership of the Company, to a maximum of 49% of the Company’s outstanding Common Shares. On March 30, 2022, The Hawthorne Collective provided notice to the Company that it was exercising its “top-up” option to purchase an unsecured convertible promissory note from the Company in the principal amount of \$31,272,501.15 (being the Canadian dollar equivalent of U.S.\$25,000,000) (the “**Additional Hawthorne Investment**” and together with the Initial Hawthorne Investment, the “**Hawthorne Investments**”). Prior to the completion of the Initial Hawthorne Investment, neither The Hawthorne Collective nor any of the Hawthorne Nominees was an informed person of the Company or an associate or affiliate of any informed person of the Company. The terms for any “top-up” option were provided for in the documents entered into in connection with the Initial Hawthorne Investment. As described under the heading “*Voting Securities and Principal Holders of Voting Securities – Investor Rights Agreements*” above, pursuant to the Hawthorne Investor Rights Agreement, The Hawthorne Collective has the right to nominate up to three directors to the Board. Christopher Hagedorn is a Hawthorne Nominee and the executive vice president and division president of The Hawthorne Gardening Company (an affiliate of The Hawthorne Collective).

On March 30, 2022, the Company entered into definitive agreements to acquire (the “**Etain Acquisition**”) ownership and control of Etain, LLC and Etain IP LLC (collectively, “**Etain**”) for U.S.\$247,005,739 (subject to certain adjustments) payable through a combination of cash and newly issued Common Shares. The Etain Acquisition is structured to close in two stages. The initial closing of the Etain Acquisition was completed on April 22, 2022 and U.S.\$197,604,591, through a combination of U.S.\$169,775,364 in cash and 21,092,335 newly issued Common Shares, subject to customary post-closing adjustments, was paid to BrandCo HoldCo. An additional amount of approximately U.S.\$49,401,148, subject to adjustment, will be paid, through a combination of cash and newly issued Common Shares, to BrandCo HoldCo and an affiliate of BrandCo HoldCo in connection with the second closing of the Etain Acquisition. Amy D. Peckham is a Nominee and CEO of BrandCo HoldCo. Prior to the completion of the initial closing of the Etain Acquisition, none of BrandCo HoldCo, the members of BrandCo HoldCo or Amy D. Peckham was an informed person of the Company or an associate or affiliate of any informed person of the Company.

For additional information regarding the Etain Acquisition and the Hawthorne Investments, please refer to the AIF under the headings “*General Development of the Business – History – Recent Developments*”, “*General Development of the Business – History – Fiscal Year 2022*” and “*Material Contracts*”.

MANAGEMENT CONTRACTS

No management functions of the Company and its subsidiaries are performed to any substantial degree by persons other than the directors and executive officers of the Company or its subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE

The Company and the Board recognize the importance of corporate governance for the effective management of the Company and the protection of its stakeholders, particularly Shareholders. The Company’s approach to issues of

corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance Shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed regarding the Company's operations at regular meetings 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 Company's affairs and in light of opportunities or risks that the Company faces.

National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines that 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 58-101F1 – *Corporate Governance Disclosure*.

The Company believes that its corporate governance practices are in compliance with applicable Canadian guidelines including NP 58-201. The Company has considered the applicable requirements and believes that its approach to corporate governance is appropriate and works effectively for the Company and the Shareholders. The Company continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

The following is a description of the Company's corporate governance practices, which has been approved by the CNG Committee and the Board.

Board of Directors

Composition of the Board

Pursuant to National Instrument 52-110 – *Audit Committee* (“NI 52-110”), a director is considered to be independent if he or she has no direct or indirect material relationship with the Company 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 Company.

As of the date this Circular, the Board is composed of six directors, five of whom have been determined to be independent based upon the criteria set forth in NI 52-110. Messrs. Mavrinac, Mimran, Hagedorn and Vaynerchuk and Ms. Daniere have been determined to be independent within the meaning of NI 52-110. Mr. Sims is not considered by the Board to be independent within the meaning of NI 52-110 due to his role as President and CEO of the Company.

Of the seven Nominees standing for election as directors at the Meeting, five have been determined to be independent based upon the criteria set forth in NI 52-110. Messrs. Mavrinac, Mimran and Hagedorn and Ms. Sweeney and Ms. Curran have been determined to be independent within the meaning of NI 52-110. Mr. Sims is not considered by the Board to be independent within the meaning of NI 52-110 due to his role as President and CEO of the Company. Ms. Peckham is not considered by the Board to be independent within the meaning of NI 52-110 due to her role as an employee of RIV Capital US Services LLC since the initial closing of the Etain Acquisition.

The independent directors regularly held *in camera* meetings following scheduled meetings of the Board during Fiscal 2022 at which non-independent directors and members of management were not in attendance. In addition, the independent directors met regularly as members of a special committee formed as part of a broader mandate to evaluate strategic acquisitions for the Company, which ultimately led to the Initial Hawthorne Investment. It is anticipated that independent directors' meetings will be held as deemed appropriate during the 2023 fiscal year and that the independent directors will continue to hold regular *in camera* meetings scheduled following meetings of the Board.

The majority of the Nominees are considered to be independent within the meaning of NI 52-110. During Fiscal 2020, the Board formed the Conflicts Review Committee, which is currently comprised of Mr. Mimran (Chair), Ms. Daniere, and Mr. Mavrinac, who are all independent directors who are not Hawthorne Nominees. Ms. Daniere will not stand for re-election at the Meeting. Following the Meeting, it is expected that the Conflicts Review Committee will be comprised of Mr. Mimran (Chair), Mr. Mavrinac and Ms. Sweeney, who are all independent directors who are not Hawthorne Nominees. The Conflicts Review Committee reviews and provides a recommendation or approval, as

applicable, to the Board for any material transaction or agreement proposed to be entered into by the Company with a Related Party (as defined herein) or that otherwise involves a conflict and meetings of the Conflicts Review Committee will be held as deemed appropriate during the 2023 fiscal year. The Board may form special committees, from time to time, comprised of only independent directors to address specific issues that arise. The Board has also implemented processes to facilitate the exercise of independent judgement in carrying out its responsibilities. Non-independent directors are asked to leave Board meetings when necessary to facilitate open and candid discussion among the independent directors and *in-camera* sessions of the independent directors may be held at the end of Board meetings. In addition, any item which could involve a potential conflict of interest among one or more directors is voted on by those directors that are not related to the conflict in question.

Chair of the Board

Ms. Daniere was appointed as the Chair of the Board as of September 24, 2020 and the Board determined that she is independent within the meaning of NI 52-110. See “*Position Descriptions – Chair*” for a description of the role of the Chair. Ms. Daniere will not stand for re-election at the Meeting. Following the Meeting, it is expected that the Company will appoint a Chair of the Board who is independent within the meaning of NI 52-110.

Meetings of the Board

The Board held 19 meetings during Fiscal 2022. The members of the Board and their meeting attendance during Fiscal 2022 are set forth below:

Board of Directors		
Name of Director	Independent	Meeting Attendance⁽¹⁾
Narbé Alexandrian ⁽²⁾	No	18 of 19
Asha Daniere ⁽³⁾	Yes	19 of 19
Christopher Hagedorn ⁽⁴⁾	Yes	12 of 13
Richard Mavrinac	Yes	17 of 19
Joseph Mimran	Yes	17 of 19
Mark Sims ⁽⁴⁾	No	12 of 13
Gary Vaynerchuk ⁽⁴⁾	Yes	8 of 13

Notes:

- (1) In addition to official Board meetings, the Board has met frequently on an informal basis to discuss ongoing matters.
- (2) Mr. Alexandrian resigned as a director on March 30, 2022.
- (3) Ms. Daniere will not stand for re-election at the Meeting.
- (4) Appointed to the Board on August 25, 2021, following the closing of the Initial Hawthorne Investment.

Other Directorships

The following table summarizes current directorships of other reporting issuers (or the equivalent) for the current and proposed directors of the Company:

Director	Name of Reporting Issuer and Exchange
Laura Curran	N/A
Asha Daniere ⁽¹⁾	N/A
Christopher Hagedorn	N/A
Richard Mavrinac	Roots Corporation (TSX: ROOT)

Director	Name of Reporting Issuer and Exchange
Joseph Mimran	LXRandCo, Inc. (TSX: LXR)
Amy Peckham	N/A
Mark Sims	N/A
Dawn Sweeney	SITE Centers Corp. (NYSE: SITC)
Gary Vaynerchuk	N/A

Notes:

(1) Ms. Daniere will not stand for re-election at the Meeting.

Board Mandate

The Board has adopted a written “Board Mandate” pursuant to which the Board assumes responsibility for the stewardship of the Company. The Board mandate is attached hereto as Schedule “A”. The Board’s primary responsibility is to develop and adopt the strategic direction of the Company and to review and approve the strategic plans developed and proposed by management, which takes into account the business opportunities and risks of the Company. The Board is responsible for reviewing and approving the Company’s financial objectives, plans and actions, including significant capital allocations and expenditures. The Board is also responsible for, among other things: (i) monitoring corporate performance against the strategic and business plans; (ii) identifying principal business risks and implementing appropriate systems to manage such risks; (iii) monitoring and ensuring internal controls and procedures; (iv) ensuring appropriate standards of corporate conduct; (v) reviewing and approving Company’s financial statements and MD&As; (vi) approving director and Senior Executive compensation based on the recommendation of the CNG Committee; (vii) reviewing and approving material transactions; (viii) developing the Company’s approach to corporate governance; and (ix) assessing its own effectiveness in fulfilling its mandate.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board, the Chair of the Audit Committee, the Chair of the CNG Committee and the Chair of the Conflicts Review Committee. In addition, the Audit Committee, the CNG Committee and the Conflicts Review Committee each have a written charter.

Chair

Ms. Daniere is currently the Chair of the Board. Ms. Daniere will not stand for re-election at the Meeting. Immediately following the Meeting, the Board will meet to, amongst other things, appoint a Chair of the Board, who is expected to be independent within the meaning of NI 52-110. The Chair presides over all meetings of the directors and Shareholders of the Company. The primary responsibility of the Chair is to oversee the operations of the Board and to provide leadership to the Board while enhancing its overall effectiveness.

CEO

Mr. Sims is the President and CEO of the Company. While the Company does not have a written CEO position description, Mr. Sims leads the management of the Company’s business and affairs and the implementation of the resolutions and policies of the Board. The key responsibilities of the CEO include: duties relating to the Company’s values, strategy, governance, risk management, risk appetite, financial information, human resources management, operational direction, Board interaction, talent management, succession planning and effective communication with Shareholders, clients, employees, regulators and other stakeholders.

Committee Chairs

The primary responsibility of the Chair of each committee of the Board is to provide oversight and leadership to the applicable committee with a view to enhancing the overall efficacy of the committee. Each committee Chair plays an

integral role in the fulfillment of the committee's duties as set out in the charter of the committee and the management of the committee process.

Board Orientation and Continuing Education

The CNG Committee is responsible for ensuring that new directors are provided with an orientation and education program, which includes written information about the role of the Board and its committees, the nature and operation of the business of the Company and the contribution that individual directors are expected to make to the Board in terms of both time and resource commitments, as well as access to recent, publicly-filed documents of the Company and the Company's internal financial information. Directors are expected to attend all meetings of the Board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. Through discussions and meetings with other directors, officers and employees, new directors will be provided with a thorough description of the Company's business, policies, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

While the Board does not have a formal orientation and training program for directors, the CNG Committee provides continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to understand to meet their obligations as directors. Board members are also encouraged to communicate with management, auditors, and consultants to keep themselves current with industry trends and developments and changes in legislation and to attend related industry seminars to ensure that each member of the Board maintains the skills and knowledge necessary to meet their obligations as directors. The Company and the CNG Committee also encourage directors and the Senior Executives to participate in professional development programs and courses and supports management's commitment to training and developing employees.

Board, Committee and Director Assessments

The CNG Committee is responsible for implementing an annual process for assessing the overall effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors. Directors are required to complete self-evaluations, peer evaluations and to consider, among other things, the overall functioning and performance of the Board, the Board's standing committees and oversight thereof, the operational oversight of the Board, management structure and succession issues, the effectiveness of the Company's internal controls and financial reporting, ethics and compliance matters and accountability. The Chair of the CNG Committee encourages discussion amongst the Board to evaluate the effectiveness of the Board as a whole, its committees and its individual directors. All directors are also encouraged to make suggestions for improvement of the practices of the Board at any time.

Ethical Business Conduct

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

In exercising its powers and discharging its duties, the Board is required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to officers, directors, employees and consultants, 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 Company has a material interest, which includes

ensuring that such individuals are familiar with rules concerning reporting conflicts of interest and obtaining direction from the Board or a Senior Executive of the Company regarding any potential conflicts of interest.

The Board has adopted a written code of business conduct and ethics (the “**Code**”), which applies to all employees, contractors, consultants, officers and directors of the Company. The purpose of the Code is to, among other things, promote honest and ethical conduct, promote the avoidance of conflicts of interest, promote full, fair, accurate, timely and understandable disclosure in filings and public communications, promote compliance with applicable laws, rules and regulations, promote internal reporting of Code violations; provide guidance to employees, contractors, consultants, officers and directors of the Company to help them recognize and deal with ethical issues and help foster a culture of honesty, respect, positivity and accountability for the Company. A copy of the Code has been filed with the regulators, in accordance with applicable legislation, and is available under the Company’s profile on SEDAR at www.sedar.com and on the Company’s website at www.rivcapital.com/investors.

The Board has also adopted a written “Whistleblower Policy” which establishes procedures for: (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or violations of the Code; and (ii) the submission by employees, contractors, consultants, directors or officers of the Company, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Code, any other policy, charter or mandate of the Company, or applicable laws, rules and regulations.

The Board has also adopted a “Corporate Disclosure and Insider Trading Policy” to ensure, among other things: (i) that the Company complies with timely disclosure obligations under securities laws and the regulations of the stock exchanges on which the Company’s securities are listed; (ii) that the Company prevents the selective disclosure of “material information” (as defined in the policy); (iii) that all communications to the public are informative, timely, factual, balanced, accurate and broadly disseminated; (iv) that persons to whom the policy applies understand their obligations to preserve the confidentiality of “undisclosed material information”; (v) strict compliance by all insiders with all requirements relating to the reporting of insider trading and with respect to trading when in possession of “undisclosed material information” (as defined in the policy); and (vi) that individuals subject to scheduled and unscheduled blackout periods adhere to the restrictions on trading as set out in the policy.

In addition, the Board has adopted an “Anti-Bribery and Anti-Corruption Policy” to ensure that all interactions with government officials, business partners, third parties and community stakeholders are undertaken with integrity and in compliance with applicable anti-bribery and anti-corruption laws.

Nomination of Directors

The CNG Committee is also responsible for reviewing candidates for election as directors and recommending director nominees for approval by the Board and election by Shareholders. The CNG Committee is responsible for assessing the skills and other attributes of existing Board members and, in light thereof, identifying individuals believed to be qualified to be Board members and recommending candidates to the Board for appointment or election to fill new or vacant positions.

In collaboration with the CNG Committee, the full Board has the responsibility for identifying potential Board candidates. The Board monitors and assesses the mix of skills and competencies required in order for the Board to fulfill its role effectively. In addition, the Board discusses with each director his or her intention to continue to serve as a Board member in order to plan and prepare for succession at the Board level in a seamless manner.

The Board will consider its size each year when it determines the number of directors to be nominated for election. In recommending and considering Board candidates, the CNG Committee and Board will identify and recommend new director nominees based upon the following considerations:

- (a) the competencies and skills necessary for the Board as a whole to possess;
- (b) the competencies and skills necessary for each individual director to possess;

- (c) the competencies and skills which each new nominee of the Board is expected to bring; and
- (d) whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Company.

The Board may retain external consultants or advisors to conduct searches for appropriate potential director candidates if necessary.

Investor Rights Agreements

As further described above, under “*Voting Securities and Principal Holders of Voting Securities – Investor Rights Agreements*”, pursuant to the Investor Rights Agreements, The Hawthorne Collective and the Etain Group Representative are entitled to designate four nominees and one nominee, respectively. In addition, pursuant to the Hawthorne Investor Rights Agreement, the Company agreed to set the size of the Board at nine directors and also agreed not increase or decrease the size of the Board without the consent of The Hawthorne Collective. Notwithstanding the foregoing, the Company, The Hawthorne Collective and The Hawthorne Gardening Company have agreed that effective as of the Initial Designation Date (as defined in the Etain Investor Rights Agreement) the size of the Board shall be seven directors and that for so long as the size of the Board is seven directors, The Hawthorne Collective shall not be entitled to designate more than three Hawthorne Nominees pursuant to the Hawthorne Investor Rights Agreement.

Board Committees

The Board currently has three standing committees: (i) the Audit Committee; (ii) the CNG Committee; and (iii) the Conflicts Review Committee. In addition, the Board may establish other committees, including special committees, from time to time to assist the Board in connection with specific matters. The Board oversees the operations of the committees, the appointment of their respective members, their compensation and their conduct. The Board has no intention at this time to establish other standing committees.

Director Term Limits and Other Mechanisms of Board Renewal

The Company has not adopted a formal policy with respect to director term limits or other mechanisms to force Board renewal. The Company believes that in taking into account the nature and size of the Board and the Company, it is more important to have relevant experience than to impose set time limits on a director’s tenure, which may create vacancies at a time when a suitable candidate cannot be identified and as such would not be in the best interests of the Company. In lieu of imposing term limits, the Company will periodically monitor director performance through formal and informal annual assessments, analyze the skills and experience necessary for the Board and evaluate the need for director changes to ensure that the Company has highly knowledgeable and motivated Board members, while ensuring that new perspectives are available to the Board.

Directors who have served on the Board for an extended period of time are in a unique position to provide valuable insight into the operations and future of the Company based on their experience and perspective on the Company’s history, performance and objectives. The Board believes it is important to have a balance between directors who have a long history and organizational understanding of the Company’s business with directors who bring new perspectives and ideas to the Board.

Diversity on the Board and in Senior Management

The Board believes that diversity is important to ensure that Board members provide the necessary range of perspectives, experience and expertise required to achieve the Company’s objectives and to deliver value for Shareholders. As a result, the Board has adopted a written “Board Diversity Policy” which seeks to increase diversity at the Board level. The Board Diversity Policy requires the Board and the CNG Committee to consider the benefits of diversity and the diversity of the Board members in reviewing Board composition and assessing Board effectiveness. It also provides for an annual review and discussion on the level of representation of women on the Board as well as a review of any diversity initiatives established by the Board and progress in achieving them.

At least annually, the CNG Committee reviews the composition of the Board and, when applicable, considers qualified candidates who are best able to meet the skills required by the Board. In doing so, the CNG Committee takes into consideration the overall knowledge, experience, skills, expertise and diversity of the Board as a whole.

The Company currently has six directors, one of whom is a woman, representing 16% of the Board members. Of the seven Nominees standing for election as directors at the Meeting, three are women, representing approximately 43% of the Nominees.

At this time, the Company has not adopted specific targets in relation to women on the Company's Board or in executive officer positions as the Board does not believe that targets necessarily result in the identification or selection of the best candidates. Rather, selection for Board members and executive officers is made based on merit, skills, qualifications, experience, background, needs of the Company at the time, etc. However, the Board has historically and continues to recognize the benefits of, and need for, extending opportunities to all internal personnel and outside candidates, without distinction as to gender, race, colour, religion, sexual orientation, family or marital status, political belief, age, national or ethnic origin, citizenship, disability, or any other basis. The Company's focus has always been, and will continue to be, working to attract the highest quality executive officers and Board candidates with special focus on the skills, experience, character and behavioral qualities of each candidate.

The Company believes that equality and a commitment to diversity and inclusion should extend beyond the boardroom. With respect to its workforce, the Company considers itself to be an equal opportunity employer and applies equal opportunity principles in compliance with applicable national and local requirements governing recruitment, employment and equal opportunities. The Company ensures that all job specifications, advertisements, application forms and contracts are gender neutral and non-discriminatory. Further, the Company applies its equal opportunity principles when recruiting and selecting staff; establishing employment terms and conditions; providing employee training; upholding the right of all employees to work in a supportive environment and providing opportunities to gain skills and develop competencies that enable them to pursue a fulfilling career; ensuring discriminatory practices or harassment are not tolerated and that any reported instances are formally investigated with appropriate disciplinary action taken; and expecting all employees, as a condition of employment, to contribute to a discrimination and harassment-free work environment.

The Audit Committee

The Audit Committee is currently comprised of: Mr. Mavrinac (Chair), Ms. Daniere and Mr. Mimran. Ms. Daniere will not stand for re-election at the Meeting. Following the Meeting, it is expected that the Audit Committee will be comprised of Mr. Mavrinac (Chair), Mr. Mimran and Ms. Sweeney. The Board has determined that each of the current members of the Audit Committee as well as the directors expected to serve as members of the Audit Committee following the Meeting are currently independent within the meaning of NI 52-110.

For a general description of the relevant education and experience of the Nominees who are expected to be members of the Audit Committee following the Meeting, see "*Business of Meeting – Election of Directors – Nominee Biographies*". For a general description of the relevant education and experience of Ms. Daniere, who is currently a member of the Audit Committee, please see the heading "*Directors and Officers – Biographies*" in the AIF.

The Audit Committee is responsible for, among other things, monitoring the Company's systems and procedures for financial accounting, reporting and internal controls, reviewing certain public disclosure documents and monitoring the performance and independence of the Company's external auditor. The Audit Committee is also responsible for reviewing the Company's annual audited consolidated financial statements, annual MD&A, unaudited interim consolidated financial statements, interim MD&A and related operations prior to their approval by the Board.

Further information regarding the Audit Committee is contained in the AIF, under the heading "*Audit Committee Information*". A copy of the Audit Committee charter is attached to the AIF as Schedule "A". The AIF is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.rivcapital.com/investors.

The Audit Committee held four meetings during Fiscal 2022. The members of the Audit Committee and their meeting attendance during Fiscal 2022 are set forth below:

Audit Committee		
Name of Director	Independent	Meeting Attendance
Asha Daniere ⁽¹⁾	Yes	2 of 2
Richard Mavrinac	Yes	4 of 4
Joseph Mimran	Yes	3 of 4
Mark Sims ⁽²⁾	N/A	2 of 2

Notes:

- (1) Mr. Sims replaced Ms. Daniere following the Company's annual general and special meeting of the shareholders held on September 30, 2021. Ms. Daniere will not stand for re-election at the Meeting.
- (2) Mr. Sims was appointed to the Audit Committee in place of Ms. Daniere following the Company's annual general and special meeting of the shareholders held on September 30, 2021. Following his appointment as President and CEO, Mr. Sims was replaced by Ms. Daniere. Prior to his appointment as President and CEO, Mr. Sims was considered to be independent based upon the criteria set forth in NI 52-110.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year, has any recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Company on behalf of the Board.

Pre-Approvals Policies and Procedures

Subject to the requirements of NI 52-110, the charter of the Audit Committee allows for the engagement of certain non-audit services by the Company's external auditor and sets out that such non-audit services must be pre-approved by the Audit Committee.

External Auditor Service Fees (By Category)

For the financial years ended March 31, 2022 and March 31, 2021, the aggregate fees incurred by the Company for services performed by the Company's former external auditor, KPMG, are as detailed below:

Financial Year Ended	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
March 31, 2021	\$675,000	Nil	Nil	Nil
March 31, 2022	\$381,375	Nil	Nil	Nil

Notes:

- (1) "Audit fees" include fees for services rendered by the external auditors in relation to the audit and review of the Company's financial statements and in connection with the Company's statutory and regulatory filings.
- (2) "Audited related fees" include the aggregate audit related fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported as "Audit fees". The services provided include due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to investments in portfolio companies, preparation of tax returns and preparation or review of tax provisions.
- (4) "All other fees" include the aggregate fees billed for products and services, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Reliance on Certain Exemptions

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

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption set out in section 6.1 of NI 52-110 with respect to certain reporting obligations.

The Compensation, Nominating and Governance Committee

The CNG Committee is currently comprised of: Ms. Daniere (Chair), Mr. Mavrinac and Mr. Mimran. Ms. Daniere will not stand for re-election at the Meeting. Following the Meeting, it is expected that the CNG Committee will be comprised of Ms. Sweeney (Chair), Ms. Curran, Mr. Mavrinac and Mr. Mimran. The Board has determined that each of the current members of the CNG Committee as well as the Nominees expected to serve as members of the CNG Committee following the Meeting are currently independent within the meaning of NI 52-110.

For a general description of the relevant education and experience of the Nominees expected to serve as members of the CNG Committee following the Meeting, see “*Business of the Meeting – Election of Directors – Nominee Biographies*”. For a general description of the relevant education and experience of Ms. Daniere, who is currently a member of the CNG Committee, please see the heading “*Directors and Officers – Biographies*” in the AIF.

The CNG Committee is responsible for, among other things:

- (a) implementing a process for assessing the effectiveness of the Board as a whole, the committees of the directors and the individual directors;
- (b) annually reviewing, approving and recommending to the Board for approval the remuneration of the Senior Executives of the Company;
- (c) reviewing and recommending to the Board for its approval the remuneration of directors;
- (d) developing and submitting to the Board recommendations with regard to bonus entitlements, other employee benefits and bonus plans;
- (e) reviewing on an annual basis the remuneration policies of the Company, including the total remuneration (including benefits) and the main components thereof for the directors and Senior Executives of the Company, and comparing such remuneration policies with the remuneration practices of peers in similar industries;
- (f) reviewing periodically bonus plans and any share-based compensation plans and considering these in light of new trends and practices of peers in similar industries;
- (g) identifying, evaluating and recommending Board candidates;
- (h) evaluating Board structure and organization; and
- (i) monitoring the effectiveness of and compliance with corporate governance policies and procedures.

The CNG Committee held three meetings during Fiscal 2022. The members of the CNG Committee and their meeting attendance during Fiscal 2022 are set forth below:

Compensation, Nominating and Governance Committee		
Name of Director	Independent	Meeting Attendance
Asha Daniere ⁽¹⁾	Yes	3 of 3
Richard Mavrinac	Yes	3 of 3
Joseph Mimran ⁽²⁾	Yes	N/A

Compensation, Nominating and Governance Committee		
Name of Director	Independent	Meeting Attendance
Mark Sims ⁽³⁾	Yes	2 of 3

Notes:

- (1) Ms. Daniere will not stand for re-election at the Meeting.
- (2) Mr. Sims replaced Mr. Mimran following the Company's annual general and special meeting of the shareholders held on September 30, 2021.
- (3) Mr. Sims was appointed to the Audit Committee in place of Mr. Mimran following the Company's annual general and special meeting of the shareholders held on September 30, 2021. Following his appointment as President and CEO, Mr. Sims was replaced by Mr. Mimran. Prior to his appointment as President and CEO, Mr. Sims was considered to be independent based upon the criteria set forth in NI 52-110.

The Conflicts Review Committee

The Conflicts Review Committee is currently comprised of: Mr. Mimran (Chair), Mr. Mavrinac and Ms. Daniere. Ms. Daniere will not stand for re-election at the Meeting. Following the Meeting, it is expected that the Conflicts Review Committee will be comprised of Mr. Mimran (Chair), Mr. Mavrinac and Ms. Sweeney. The Board has determined that each of the current members of the Conflicts Review Committee as well as the Nominees expected to serve as members of the CNG Committee following the Meeting are currently independent within the meaning of NI 52-110.

The Conflicts Review Committee is responsible for, among other things:

- (a) recommending for approval by the Board procedures for the identification, consideration and approval of material transactions or agreements (each, a "**Subject Transaction**") between the Company and (i) any "related parties", as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), or (ii) any person in which a Related Party is a director or an officer of, or has a material interest in (the persons in clauses (i) and (ii) are herein referred to as "**Related Parties**");
- (b) reviewing the proposed terms and conditions of any Subject Transaction and, as appropriate, approving such Subject Transaction;
- (c) taking measures to confirm that any Subject Transactions that are "related party transactions" for the purposes of MI 61-101 are in compliance with MI 61-101 and applicable securities laws; and
- (d) considering risks related to any proposed Subject Transaction.

The Conflicts Review Committee held one meeting during Fiscal 2022. The members of the Conflicts Review Committee and their meeting attendance during Fiscal 2022 are set forth below:

Conflicts Review Committee		
Name of Director	Independent	Meeting Attendance
Joseph Mimran	Yes	1 of 1
Asha Daniere ⁽¹⁾	Yes	1 of 1
Richard Mavrinac	Yes	1 of 1

Notes:

- (1) Ms. Daniere will not for re-election at the Meeting.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this Circular and the Letter to Shareholders contain forward-looking information, including, without limitation, those related to the strategy, objectives, goal, opportunities and plans of the Company; the Company's liquidity; expectations of the anticipated benefits of the Etain Acquisition and strategic rationales for acquiring Etain, including expectations regarding legal cannabis market opportunities in New York and the legalization of adult-use cannabis in New York; the Company's expectations regarding the U.S. cannabis market; expectations regarding expansion and timing thereof; the Company's expectations regarding growth opportunities; the anticipated benefits of investors from, and the Company's strategic partnership with, The Hawthorne Collective; expectations regarding the Company's strategic shift to a U.S. cannabis operating platform; the Company's plans to expand geographically; expectations regarding the final closing of the Etain Acquisition, including the expected timing thereof; expectations regarding the expansion of Etain's retail dispensaries and cultivation and manufacturing space, including in respect of Etain's Chestertown facility; the Company's expectations with respect to the development of a new Buffalo facility; the application brought by JWAM and the impact thereof on the Company; JWAM's and Mr. Wild's intentions regarding the Company and the Meeting, the impact on the Company of any actions JWAM and Mr. Wild may take and the Company's anticipated reactions to any such actions; the Company's expectations with respect to the Company's board of directors and management team; the Company's expectations regarding the composition of the Board, the standing committees of the Board and the Chair of the Board following the Meeting; and expectations for other economic, business, and/or competitive factors. All information, other than statements of historical fact, included in this Circular that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations, plans and other matters, is forward-looking information. To the extent any forward-looking information in this Circular constitutes "financial outlooks" within the meaning of applicable Canadian securities laws, the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such financial outlooks. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions.

Investors are cautioned that forward-looking information is not based on historical fact but instead is based on the reasonable assumptions and estimates of management of the Company at the time they were made and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, but are not limited to the timing and likelihood for receipt of all required regulatory approvals, and satisfaction of other conditions to closing, in respect of the Etain Acquisition; the Company's ability to execute its go-forward strategy; stock market volatility; changes in the business activities, focus and plans of the Company, Etain and the Company's investees and the timing associated therewith; the timing of any changes to federal laws in the U.S. to allow for the general cultivation, distribution, and possession of cannabis; regulatory and licensing risks; changes in cannabis industry growth and trends; changes in general economic, business and political conditions, including changes in the financial markets; litigation risks; the global regulatory landscape and enforcement related to cannabis, including political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation, including the Company's interpretation of such regulation; public opinion and perception of the cannabis industry; divestiture risks; and the risk factors set out in the Company's MD&A for the three months ended June 30, 2022, the Annual MD&A and AIF filed with the Canadian securities regulators and available on the Company's profile on SEDAR at www.sedar.com.

The Company has invested in and acquired, and intends to in the future invest in and/or acquire, companies that are involved in the manufacture, possession, use, sale, and distribution of cannabis in the recreational and medicinal cannabis marketplace in the United States. Local state laws where such operations occur permit such activities, however, investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the U.S. Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable U.S. federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with recreational and medicinal cannabis programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. The enforcement of federal laws in the United States is a significant risk to the business of the Company and any proceedings brought against the Company thereunder may adversely affect the Company's operations and financial performance.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors that could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

ADDITIONAL INFORMATION

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

Financial information concerning the Company's most recently completed financial year is provided in the Annual Financial Statements and the Annual MD&A. Inquiries including requests for copies of the Annual Financial Statements and the Annual MD&A may be directed to the Corporate Secretary of the Company by mail at 40 King Street West, Suite 2504, Toronto, Ontario M5H 3Y2.

APPROVAL

The contents of this Circular and the sending thereof to the Shareholders, directors and the auditor of the Company, have been approved by the Board.

**ON BEHALF OF THE BOARD OF
DIRECTORS**

(signed) "Mark Sims"

Director and President and Chief Executive Officer

SCHEDULE “A”

RIV CAPITAL INC.

MANDATE OF THE BOARD OF DIRECTORS

1. PURPOSE

The Board of Directors (the “**Board**”) of RIV Capital Inc. (the “**Corporation**”) assumes responsibility for the stewardship of the Corporation.

2. RESPONSIBILITIES

As an integral part of that stewardship responsibility, the Board has responsibility for the following matters (either itself, or through duly appointed and constituted committees of the Board in accordance with applicable laws):

- (a) The Board has primary responsibility for the development and adoption of the strategic direction of the Corporation. The Board reviews with management from time to time the financing environment (including, without limitation, the relative demand for the Corporation’s shares, and the Corporation’s needs for and opportunities to raise capital), the emergence of new opportunities, trends and risks and the implications of these developments for the strategic direction of the Corporation. The Board reviews and approves the Corporation’s financial objectives, plans and actions, including equity and debt raises, significant capital allocations, and expenditures.
- (b) The Board monitors, at the least, quarterly corporate performance, including assessing operating results to evaluate whether the business is being properly managed.
- (c) The Board identifies and documents the principal business risks of the Corporation and ensures in cooperation with company’s management that there are appropriate systems put in place to manage these risks.
- (d) The Board monitors and ensures the integrity of the internal controls and procedures (including adequate management information systems) at least annually within the Corporation, as well as the financial reporting procedures of the Corporation.
- (e) The Board is responsible for ensuring appropriate standards of corporate conduct, including adopting a code of business conduct and ethics for all employees, contractors, consultants, officers and directors, and monitoring compliance with such code, if appropriate.
- (f) The Board is responsible for the review and approval of quarterly and annual financial statements, management’s discussion and analysis related to such financial statements, and forecasts.
- (g) The Board is responsible for, when it determines applicable, establishing and reviewing from time to time a dividend policy for the Corporation.
- (h) The Board is responsible for reviewing the compensation of members of the Board to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and for reviewing the compensation of members of the senior management team to ensure that they are competitive within the industry and that the form of compensation aligns the interests of each such individual with those of the Corporation. If the Board determines it necessary, the Board is responsible for engaging a consultant to review stock options granted to employees and Board compensation.
- (i) The Board reviews and approves material transactions in advance not in the ordinary course of business that are brought to its attention by the company’s management.

- (j) The Board reviews and approves the budget on an annual basis, including the spending limits and authorizations, as recommended by the Audit Committee.
- (k) The Board ensures that there is in place appropriate succession planning, including the appointment, training and monitoring of senior management and members of the Board.
- (l) The Board is responsible for assessing its own effectiveness in fulfilling its mandate and evaluating the relevant disclosed relationships of each independent director. An effectiveness evaluation of the board has to be prepared at least annually (see s. (s) (vi)).
- (m) The Board approves a disclosure policy that includes a framework for investor relations and public disclosure.
- (n) The Board shall periodically (at least annually) review and make recommendations regarding the Anti-Bribery and Anti-Corruption Policy adopted by the Board;
- (o) The Board is responsible for satisfying itself as to the integrity of the Chief Executive Officer (the “CEO”) and other senior officers of the Corporation and that the CEO and other senior officers create a culture of integrity throughout the organization. The Board is responsible for developing and approving goals and objectives which the CEO is responsible for achieving.
- (p) The Board is responsible for developing the Corporation’s approach to corporate governance principles and guidelines that are specifically applicable to the Corporation.
- (q) The Board is responsible for ensuring that the business of the Corporation is conducted in accordance with recognized industry standards and with a view to meeting or exceeding all applicable environmental and occupational health and safety laws and regulations.
- (r) The Board is responsible for performing such other functions as prescribed by law or assigned to the Board in the Corporation’s governing documents.
- (s) Set forth below are procedures relating to the Board’s operations:
- (i) Size of Board and selection process.
- (1) The directors of the Corporation are elected each year by the shareholders at the annual meeting of shareholders. The Board will determine the nominees to be put forward to the shareholders for election based upon the following considerations and such other factors the Board considers relevant:
- the competencies and skills which the Board as a whole should possess;
 - the competencies and skills which each existing director possesses; and
 - the appropriate size of the Board to facilitate effective decision-making.
- (2) The Board also recommends the number of directors on the Board to shareholders for approval, subject to compliance with the requirements of the OBCA and the Corporation’s by-laws.
- (3) Between annual meetings, the Board may appoint directors to serve until the next annual meeting, subject to compliance with the requirements of the OBCA.
- (4) Individual Board members are responsible for assisting the Board in identifying and recommending new nominees for election to the Board, as needed or appropriate.

- (ii) Independence – At least a majority of the members of the Board shall be “independent” (as defined under National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators).
- (iii) Director orientation and continuing education – The Board, together with the Compensation, Nominating and Governance Committee, is responsible for providing an orientation and education program for new directors which deals with the following matters and such other matters the Board considers relevant:
 - (1) the role of the Board and its committees;
 - (2) the nature and operation of the business of the Corporation; and
 - (3) the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board, together with the Compensation, Nominating and Governance Committee is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current.

- (iv) Meetings – The Board shall endeavor to have at least four scheduled meetings a year. The Board is responsible for its agenda. Prior to each Board meeting, the Chair of the Board shall circulate an agenda to the Board. The Chair of the Board shall discuss the agenda items for the meeting with the CEO and, if a lead director has been appointed, the lead director. Materials for each meeting will be distributed to directors in advance of the meetings. Directors are expected to attend at least 75% of all meetings of the Board held in a given year, and are expected to adequately review meeting materials in advance of all such meetings.

The independent directors or non-management directors may meet at the end of each Board meeting without management and non-independent directors present. The Chair of the Board shall chair these meetings, unless the Chair of the Board is not an independent director, in which case the lead director shall chair these meetings. If a lead director has not been appointed, the independent directors shall appoint a chairman to chair these meetings. The independent directors shall appoint a person to maintain minutes of the meeting or, if no person is so appointed, the chair of the meeting shall maintain minutes of the meeting.

- (v) Committees – The Board has established the following standing committees to assist the Board in discharging its responsibilities: the Audit Committee and the Compensation, Nominating and Governance Committee. Special committees are established from time to time to assist the Board in connection with specific matters. The Board will appoint the members of each committee and may appoint the chair of each committee annually following the Corporation’s annual meeting of shareholders. The chair of each committee reports to the Board following meetings of the relevant committee. The terms of reference of each standing committee are reviewed annually by the Board.
- (vi) Evaluation – The Compensation, Nominating and Governance Committee shall perform an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors.
- (vii) Compensation – The Compensation, Nominating and Governance Committee shall recommend to the Board the compensation and benefits for non-management directors. The Compensation, Nominating and Governance Committee shall seek to ensure that such

compensation and benefits reflect the responsibilities and risks involved in being a director of the Corporation and align the interests of the directors with the best interests of the Corporation. The Compensation, Nominating and Governance Committee shall review all stock option grants and submit recommendations to the Board for approval.

- (viii) Nomination – Together with the Compensation, Nominating and Governance Committee, the Board and the individual directors from time to time, will identify and recommend new nominees as directors of the Corporation, based upon the following considerations:
 - (1) the competencies and skills necessary for the Board as a whole to possess;
 - (2) the competencies and skills necessary for each individual director to possess;
 - (3) the competencies and skills which each new nominee to the Board is expected to bring; and
 - (4) whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Corporation.
- (ix) Access to independent advisors – The Board may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Compensation, Nominating and Governance Committee, retain an outside advisor at the expense of the Corporation.

3. LEAD DIRECTOR

- (a) The Board will appoint a Lead Director in circumstances in which the Chair of the Board is not considered independent under applicable securities laws, in order to provide independent leadership to the Board and for the other purposes set forth below.
- (b) In circumstances where the Chair of the Board is not considered independent under applicable securities laws, the Compensation, Nominating and Governance Committee will recommend a candidate for the position of Lead Director from among the independent members of the Board. The Board will be responsible for approving and appointing the Lead Director.
- (c) When appointed, the Lead Director will hold office at the pleasure of the Board, until a successor has been duly elected or appointed or until the Lead Director resigns or is otherwise removed from office by the Board.
- (d) When appointed, the Lead Director will provide independent leadership to the Board and will facilitate the functioning of the Board independently of the Corporation's management. Together with the Chair of the Compensation, Nominating and Governance Committee, the Lead Director will be responsible for overseeing the corporate governance practices of the Corporation.
- (e) When appointed, the Lead Director will:
 - (i) in conjunction with the Chair of the Compensation, Nominating and Governance Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
 - (ii) chair meetings of independent directors or non-management directors held following Board meetings;
 - (iii) in the absence of the Chair of the Board, act as chair of meetings of the Board;

- (iv) recommend, where necessary, the holding of special meetings of the Board;
- (v) review with the Chair of the Board and the CEO items of importance for consideration by the Board;
- (vi) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and with or without the attendance of the Chair of the Board, and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
- (vii) together with the Chair of the Board, ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation, and together with the Chair of the Board and the CEO, formulate an agenda for each Board meeting;
- (viii) together with the Chair of the Board and the Chair of the Compensation, Nominating and Governance Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
- (ix) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
- (x) facilitate the process of conducting director evaluations;
- (xi) promote best practices and high standards of corporate governance; and
- (xii) perform such other duties and responsibilities as may be delegated to the Lead Director by the Board from time to time.

4. APPROVAL

Approved by the Board of Directors on September 17, 2018.

SCHEDULE “A”

RIV CAPITAL INC.

POSITION DESCRIPTION FOR THE CHAIR OF THE BOARD OF DIRECTORS

1. PURPOSE

The Chair of the Board shall be a director who is designated by the full Board to act as the leader of the Board.

2. WHO MAY BE CHAIR

The Chair of the Board will be selected amongst the directors of the Corporation who have a sufficient level of experience with corporate governance issues to ensure the leadership and effectiveness of the Board.

The Chair of the Board will be selected annually at the first meeting of the Board following the annual meeting of shareholders.

3. RESPONSIBILITIES

The following are the responsibilities of the Chair of the Board. The Chair of the Board may, where appropriate, delegate to or share with the Compensation, Nominating and Governance Committee and/or any other independent committee of the Board, certain of these responsibilities:

- (a) Chair all meetings of the Board in a manner that promotes meaningful discussion;
- (b) Provide leadership to the Board to enhance the Board’s effectiveness, including:
 - (i) ensure that the responsibilities of the Board are well understood by both management and the Board;
 - (ii) ensure that the Board works as a cohesive team with open communication;
 - (iii) ensure that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
 - (iv) together with the Compensation, Nominating and Governance Committee, ensure that a process is in place by which the effectiveness of the Board and its committees (including size and composition) is assessed at least annually; and
 - (v) together with the Compensation, Nominating and Governance Committee, ensure that a process is in place by which the contribution of individual directors to the effectiveness of the Board is assessed at least annually;
- (c) Manage the Board, including:
 - (i) prepare the agenda of the Board meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
 - (ii) adopt procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
 - (iii) ensure meetings are appropriate in terms of frequency, length and content;

- (iv) ensure that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;
 - (v) ensure that a succession planning process is in place to appoint senior members of management and directors when necessary;
 - (vi) ensure procedures are established to identify, assess and recommend new nominees for appointment to the Board and its committees; and
 - (vii) together with any special committee appointed for such purpose, approach potential candidates once potential candidates are identified, to explore their interest in joining the Board and proposing new nominees for appointment to the Board and its committees;
- (d) If the Chair of the Board is an independent director, the Chair will:
- (i) in conjunction with the Chair of the Compensation, Nominating and Governance Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
 - (ii) chair meetings of independent directors or non-management directors held following Board meetings;
 - (iii) recommend, where necessary, the holding of special meetings of the Board;
 - (iv) review with the CEO items of importance for consideration by Board;
 - (v) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
 - (vi) ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation, and together with the CEO, formulate an agenda for each Board meeting;
 - (vii) together with the Chair of the Compensation, Nominating and Governance Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
 - (viii) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
 - (ix) facilitate the process of conducting director evaluations; and
 - (x) promote best practices and high standards of corporate governance;
- (e) Act as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner. This involves working with the Compensation, Nominating and Governance Committee to ensure that the Corporation is building a healthy governance culture; and
- (f) At the request of the Board, represent the Corporation to external groups such as shareholders and other stakeholders, including community groups and governments.

SCHEDULE "B"

CHANGE OF AUDITOR REPORTING PACKAGE

RIV CAPITAL INC.

**NOTICE OF CHANGE OF AUDITOR
(National Instrument 51-102 – *Continuous Disclosure Obligations*)**

TO: Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Financial and Consumer Services Commission (New Brunswick)
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Prince Edward Island
Office of the Superintendent of Securities, Service Newfoundland and Labrador

AND TO: KPMG LLP (“**KPMG**”)
MNP LLP (“**MNP**”)

RE: Notice Regarding Change of Auditor Pursuant to Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”)

RIV Capital Inc. (the “**Company**”) hereby gives notice pursuant to section 4.11 of NI 51-102 as follows:

1. Effective June 20, 2022 (the “**Effective Date**”), KPMG has resigned as auditor of the Company by their own initiative.
2. MNP has been appointed as auditor of the Company to fill the vacancy, to hold office until the close of the next annual meeting of shareholders of the Company.
3. The resignation of KPMG and appointment of MNP were considered and approved by the Company’s audit committee and board of directors.
4. There have been no modified opinions in KPMG’s reports on the Company’s financial statements for the period commencing at the beginning of the Company’s two most recently completed financial years and ending on the Effective Date.
5. In the opinion of the Company, as at the date hereof, there have been no reportable events (as defined in NI 51-102) in connection with the audits for the period commencing at the beginning of the Company’s two most recently completed financial years and ending on the Effective Date.

DATED this 23rd day of June, 2022.

RIV CAPITAL INC.

By: (signed) "*Matthew Mundy*"

Name: Matthew Mundy

Title: Chief Strategy Officer and General
Counsel



KPMG LLP
100 New Park Place, Suite 1400
Vaughan, ON L4K 0J3
Tel 905-265 5900
Fax 905-265 6390
www.kpmg.ca

To:
Alberta Securities Commission
British Columbia Securities Commission
The Manitoba Securities Commission
Financial and Consumer Services Commission, New Brunswick
Office of the Superintendent of Securities, Service Newfoundland & Labrador
Nova Scotia Securities Commission
Ontario Securities Commission
The Office of the Superintendent of Securities, Consumer, Corporate and Insurance
Services Division, Prince Edward Island
Financial and Consumer Affairs Authority of Saskatchewan

June 23, 2022

Dear Sir/Madam

Re: Notice of Change of Auditors of RIV Capital Inc.

We have read the Notice of RIV Capital Inc. dated June 23, 2022 and are in agreement with the statements contained in such Notice except that we are not in a position to agree or disagree with RIV Capital Inc's statement that the resignation of KPMG and appointment of MNP were considered and approved by the Company's audit committee and board of directors.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, stylized font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants
Vaughan, Canada

June 23, 2022

TO: Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Financial and Consumer Services Commission (New Brunswick)
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Prince Edward Island
Office of the Superintendent of Securities, Service Newfoundland and Labrador

AND TO: RIV Capital Inc.
KPMG LLP

Dear Sirs/Mesdames:

Re: RIV Capital Inc. – Notice Regarding Change of Auditor

We have read the Notice of Change of Auditor dated June 23, 2022 from RIV Capital Inc. (the “**Notice**”), delivered to us pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*. We confirm that we agree with each statement contained in the Notice, based on our knowledge of such information at this time.

Yours very truly,



MNP LLP

QUESTIONS? NEED HELP VOTING?

CONTACT US


North American Toll-Free Phone

1-877-659-1821

 E-mail: contactus@kingsdaleadvisors.com

 Fax: 416.867.2271

Toll Free Facsimile: 1.866.545.5580

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