

# **NOTICE OF 2021 ANNUAL GENERAL MEETING AND MANAGEMENT INFORMATION CIRCULAR**

**MARCH 5, 2021**

Genesis Land Development Corp.

**GENESIS**

## CONTENTS

PART I – BUSINESS OF THE MEETING.....	6
Financial Statements and Auditors’ Report .....	6
Election of Directors .....	6
Appointment and Remuneration of Auditors.....	12
Accounting Fees and Services .....	12
Other Business .....	13
PART II – VOTING.....	13
Revocation of Proxies.....	14
Participating in the Meeting .....	14
Voting of Common Shares .....	15
Appointment of Proxies .....	15
Advice to Beneficial Shareholders.....	16
Distributions to NOBOS and OBOS .....	16
Quorum.....	17
Voting Securities and Principal Holders Thereof.....	17
PART III – COMPENSATION .....	18
General.....	18
Compensation of the Board of Directors .....	18
PART IV – COMPENSATION DISCUSSION AND ANALYSIS .....	22
Summary Compensation Table .....	29
Significant Terms of Compensation Plan and Executive Employment Agreements .....	30
Termination.....	30
PART V – OTHER INFORMATION .....	32
Legal Proceedings.....	32
Indebtedness to the Corporation .....	32
Interest of Informed Persons in Material Transactions.....	33
Dividends.....	33
Normal Course Issuer Bid .....	33
Conflict of Interest.....	34
Risk Oversight .....	34
Hedging .....	35
Interest of Certain Persons or Companies in Matters to Be Acted Upon .....	35
Statement of Corporate Governance Practices.....	35
Canadian Corporate Governance Requirements .....	35
PART VI – ADDITIONAL INFORMATION .....	35
Availability of Information.....	35
Communicating with the Board.....	36
SCHEDULE “A” .....	37
CORPORATE GOVERNANCE DISCLOSURE .....	37
SCHEDULE “B”.....	42
MANDATE OF THE BOARD .....	42
APPENDIX “1” .....	47
SUMMARY OF THE OPTION PLAN.....	47

---

All information contained in this Management Information Circular is dated as at March 5, 2021 unless otherwise noted.

## INVITATION TO SHAREHOLDERS

Dear Fellow Shareholders:

On behalf of our Board of Directors and management team, I invite you to attend the 2021 annual meeting of shareholders (the “**Meeting**”) of Genesis Land Development Corp. (“**Genesis**”, the “**Corporation**”, “**we**” or “**our**”) to be held on Friday, May 14, 2021 at 9:00 a.m. (Mountain Daylight Time). As a result of ongoing provincial COVID-19 limitations and restrictions on in-person indoor gatherings, our Meeting will be held as a virtual only shareholders meeting. Registered shareholders and duly appointed proxyholders can attend the Meeting online at <https://web.lumiagm.com/257489824> where they can participate and vote during the Meeting’s live webcast. See page 14 of the Circular for additional information.

If the provincial COVID-19 limitations and restrictions on in-person indoor gatherings are modified or removed such that an in-person meeting of Genesis shareholders would be permitted, Genesis may determine to convene the Meeting as an in-person shareholders meeting rather than a virtual only shareholders meeting. Any decision in this regard will be publicly announced by Genesis prior to the Meeting. A proxy deposited in respect of the Meeting will be valid whether the Meeting is held as a virtual only shareholders meeting or an in-person shareholders meeting. Accordingly, a shareholder that submits a proxy in respect of the virtual only Meeting will not need to take any action if Genesis determines to convene the Meeting as an in-person shareholders meeting rather than a virtual only shareholders meeting.

At the Meeting, we will review the Corporation’s 2020 operating and financial performance and provide an update for 2021 following completion of the business of the Meeting. The business items to be dealt with at the Meeting are described in the accompanying Notice of Meeting and Management Information Circular (the “**Circular**”). In addition to the Circular and related proxy materials, documentation and information concerning Genesis is available on our website at [www.genesisland.com](http://www.genesisland.com).

If you are unable to attend the Meeting, or if you hold your Common Shares in the name of a nominee, such as a brokerage firm, I encourage you to vote in advance, as described on page 13 of the Circular.

I look forward to the Meeting.

Sincerely,

(Signed)

“Stephen J. Griggs”

**Stephen J. Griggs**

Chair of the Board

March 5, 2021

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN THAT** the annual meeting (the “**Meeting**”) of holders of common shares (“**Common Shares**”) of Genesis Land Development Corp. (the “**Corporation**”) will be held on Friday, May 14, 2021 at 9:00 a.m. (Mountain Daylight Time). As a result of ongoing provincial COVID-19 limitations and restrictions on in-person indoor gatherings, our Meeting will be held as a virtual only shareholders meeting. The following business is to be conducted at the Meeting:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2020 and the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at 5 and to elect the directors of the Corporation for the ensuing year;
3. to appoint MNP LLP, Chartered Professional Accountants, Calgary, Alberta, as auditors of the Corporation for the ensuing year and to authorize the board of directors of the Corporation to fix the auditors' remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Shareholders of record of Common Shares at the close of business on March 30, 2021 will be entitled to vote at the Meeting.

Registered shareholders and duly appointed proxyholders can attend the Meeting online at <https://web.lumiagm.com/257489824> where they can participate and vote during the Meeting's live webcast. Shareholders who are unable to attend the Meeting are requested to date and execute the enclosed form of proxy and return it in the envelope provided for that purpose. Alternatively, shareholders may vote by proxy, by telephone or over the internet. See page 13 of the accompanying Circular for further information.

In order to be valid and acted upon at the Meeting, the proxy must be received by Computershare Trust Company of Canada (the “**Transfer Agent**”) not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournments or postponements thereof. Shareholders are cautioned that the use of the mail to transmit proxies is at shareholders' risk. The Chair of the Meeting has discretion to waive or extend the proxy deadline.

**DATED** at the City of Calgary, in the Province of Alberta, the 5<sup>th</sup> day of March 2021.

**BY ORDER OF THE BOARD OF DIRECTORS**

“Stephen J. Griggs”

---

**Stephen J. Griggs**

Chair of the Board

Genesis Land Development Corp.

### **IMPORTANT**

*It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your Common Shares represented, please complete the enclosed form of proxy and return it as soon as possible in the envelope provided for that purpose. In addition to mailing in your form of proxy or if you're a beneficial holder – your Voting Instruction Form (VIF), shareholders can also vote prior to the proxy cut-off for the Meeting by phone or by submitting their vote online. Information on how to vote by phone or online is located in the voting form the shareholder received. Late forms of proxy may be accepted or rejected by the Chair of the Meeting in his sole discretion and the Chair is under no obligation to accept or reject any late forms of proxy.*

*If the provincial COVID-19 limitations and restrictions on in-person indoor gatherings are modified or removed such that an in-person meeting of Genesis shareholders would be permitted, Genesis may determine to convene the Meeting as an in-person shareholders meeting rather than a virtual only shareholders meeting. Any decision in this regard will be publicly announced by Genesis prior to the Meeting. A proxy deposited in respect of the Meeting will be valid whether the Meeting is held as a virtual only shareholders*

meeting or an in-person shareholders meeting. Accordingly, a shareholder that submits a proxy in respect of the virtual only Meeting will not need to take any action if Genesis determines to convene the Meeting as an in-person shareholders meeting rather than a virtual only shareholders meeting.

### **Forward-Looking Statements**

Certain statements in this Circular and any information incorporated herein by reference may constitute forward-looking statements or information ("**forward-looking statements**") within the meaning of applicable securities legislation, including Canadian Securities Administrators' National Instrument 51-102 'Continuous Disclosure Obligations', concerning the business, operations and financial performance and condition of the Corporation generally and in particular relating to a determination to convene the Meeting as an in-person shareholders meeting rather than a virtual only shareholders meeting and timing for future Board assessments. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Although the Corporation believes that the anticipated future results, performance or achievements expressed or implied by forward-looking statements are based upon reasonable assumptions and expectations, investors should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors many of which are beyond the Corporation's control, which may cause the actual results, performance or achievements of the Corporation to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, the Corporation cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements.

Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to: changes to COVID-19 protocols and restrictions, the impact of contractual arrangements and incurred obligations on future operations and liquidity; local real estate conditions, including the development of properties in close proximity to the Corporation's properties; the uncertainties of real estate development and acquisition activity; fluctuations in interest rates; the ability to access and raise debt and capital on favourable terms; not realizing on the anticipated benefits from transactions or not realizing on such anticipated benefits within the expected time frame; labour matters; governmental regulations; stock market volatility; and other risks and factors described from time to time in the documents filed by the Corporation with the securities regulators in Canada available at [www.sedar.com](http://www.sedar.com), including the Corporation's most recent Management Discussion & Analysis under the heading "Risks and Uncertainties" and the Corporation's most recent Annual Information Form under the heading "Risk Factors", both of which are available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking statements contained in this Circular are made as of the date of this Circular and, except as required by applicable law, the Corporation does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.

## PART I – BUSINESS OF THE MEETING

This Management Information Circular (“**Circular**”) is furnished in connection with the solicitation of proxies by the board of directors (the “**Board**”) and management of Genesis Land Development Corp. (“**Genesis**”, the “**Corporation**”, “**we**” or “**our**”), to be used at the annual meeting (the “**Meeting**”) of holders of Common Shares of the Corporation to be held on Friday, May 14, 2021 at 9:00 a.m. (Mountain Daylight Time) and at any adjournment or postponement thereof for the purposes set out in the accompanying notice of meeting (the “**Notice**”). As a result of ongoing provincial COVID-19 limitations and restrictions on in-person indoor gatherings, our Meeting will be held as a virtual only shareholders meeting.

All information contained in this Circular is dated as at March 5, 2021 unless otherwise noted.

As set forth in the accompanying Notice, the business to be conducted at the Meeting consists of the following matters:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2020 and the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at 5 and to elect the directors of the Corporation for the ensuing year;
3. to appoint MNP LLP, Chartered Professional Accountants, of Calgary, Alberta, as auditors of the Corporation for the ensuing year and to authorize the board of directors of the Corporation to fix the auditors’ remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation. The record date to determine the shareholders entitled to receive notice of and to vote at the Meeting is March 30, 2021 (the “**Record Date**”).

### Financial Statements and Auditors’ Report

At the Meeting, shareholders will receive and consider the consolidated financial statements of Genesis for the year ended December 31, 2020 and the auditors’ report thereon. No vote by the shareholders with respect to these statements is required or proposed to be taken. The audited consolidated financial statements for the year ended December 31, 2020 may be obtained from the Corporation upon request. Copies of the Corporation’s annual and interim financial statements are also available on SEDAR at [www.sedar.com](http://www.sedar.com) or on Genesis’ website at [www.genesisland.com](http://www.genesisland.com).

### Election of Directors

#### ***Nomination Process – Skills, Experience, Independence and Diversity***

The Governance and Compensation Committee is comprised of four directors, three of whom are independent of management. The Governance and Compensation Committee makes decisions on a majority basis and all recommendations go to the Board for review and approval. Acting under its terms of reference, the Governance and Compensation Committee is responsible for establishing general criteria for the election and re-election of directors, composition of Board committee membership, identifying and recommending candidates to the Board for election and re-election by the shareholders, and assessing the current Board based on the skills matrix set out below. The goal is to ensure that the Board as a whole possesses the necessary independence, qualities, attributes, experience and skills required to effectively oversee the strategic direction and management of the Corporation. In addition to skills and experience, the Governance and Compensation Committee considered the following factors in proposing the director candidates listed below:

- Genesis is a small public company with concentrated share ownership operating in the Alberta market.
- Diversity of directors including age, gender and cultural background (without establishing quotas or targets at this time).

- Independence considering applicable Canadian securities laws and regulations and the Toronto Stock Exchange (“TSX”) corporate governance rules – particularly the requirements for members of the Audit Committee.
- Continuity of the directors while providing for regular renewal of the Board.

The Governance and Compensation Committee and the Board are confident that the proposed nominees balance all of these factors. The Board notes that skills and experience are the dominant factor in all cases but also considers the diversity of the Board members.

The directors have the management and industry skills/experience (1=primary; 2=secondary) as set forth in the table below:

	Stephen J. Griggs	Steven Glover	Mark W. Mitchell	Loudon Owen	Iain Stewart
<b>Management Skills / Experience</b>					
Executive Leadership	1	1	1	1	1
Human Resources	1	2	2	2	2
Legal and Corporate Governance	1	2	2	1	2
Financially Literate / Corporate Finance	1	1	1	1	1
Capital Allocation / Acquisitions/Dispositions	1	1	1	1	1
Risk Management	1	2	2	2	2
<b>Industry Skills / Experience</b>					
Land Development and Urban Planning	2	-	2	2	1
Single Family Home Building	2	-	2	2	1
Real Estate Sales and Marketing	2	-	-	2	1

At least annually, the Governance and Compensation Committee reviews the current profile of the Board including representation of various areas of expertise, experience and diversity. The Board has adopted independence standards that derive from applicable Canadian securities laws and the TSX corporate governance rules. Based upon such standards, all members of the Audit Committee are independent. The process and skills matrix are reviewed annually to reflect the current needs of the Board and strategic priorities of the Corporation.

### **Board Diversity**

Diversity includes different skills, industry experience, professional experience and other qualities, as well as gender, race or ethnicity, sexual identity/orientation, age and cultural background. These factors, along with others, such as independence from, and representation of, large shareholders, are important for Genesis and are considered and appropriately balanced by the Board when determining membership on the Board and its committees.

The Board may from time-to time-consider setting aspirational or measurable objectives for achieving greater diversity on the Board and measure progress accordingly.

In reviewing the Board’s composition and identifying suitable candidates, the Governance and Compensation Committee and the Board consider the elements of diversity identified in this policy and best governance practices generally.

### ***Proposed Nominees***

The nominees (collectively, the "**Nominees**" and each a "**Nominee**") for election as directors of Genesis are:

**Stephen J. Griggs**

**Steven Glover**

**Mark W. Mitchell**

**Loudon Owen**

**Iain Stewart**

In the opinion of the Governance and Compensation Committee and the Board, the Nominees are well qualified to continue to act as directors for the ensuing year. Each nominee has established his eligibility and willingness to continue to serve as a director, if elected. Each director, if elected, will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-laws of the Corporation.

At the Meeting, shareholders will be asked to approve an ordinary resolution to fix the number of directors of the Corporation to be elected at the Meeting at 5 and to elect each Nominee as a director of the Corporation. The individuals named in the accompanying form of proxy as proxyholders are either officers ("**Officers**") or directors of Genesis and intend to vote at the Meeting "**FOR**" fixing the number of directors at 5 members and to vote "**FOR**" the election of the nominees whose names are set forth above, unless specifically instructed on the form of proxy to withhold such vote. **The Board and management recommend that shareholders vote in favour of each of the above-named Nominees.**

If, for any reason, any of the Nominees is unavailable to serve, the persons designated in the form of proxy will be able to vote in their discretion for any substitute nominee or nominees. The persons named in the enclosed form of proxy intend to vote "**FOR**" the election of any substitute nominee or nominees recommended by management of the Corporation.

The enclosed form of proxy permits you to vote in favour of or against fixing the number of directors to be elected at 5 and in favour of all of our Nominees, to vote in favour of some Nominees and to withhold votes for other Nominees, or to withhold votes for all Nominees. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in a completed proxy, to vote such proxies "**FOR**" fixing the number of directors to be elected at 5 and "**FOR**" the election of all Nominees specified as above.

### ***Majority Voting Policy***

The Board has adopted a majority voting policy relating to an uncontested election of directors of the Corporation. In the event that any nominee for director receives a greater number of votes "withheld" from his election than votes "for" such election, the nominee must forthwith tender his resignation to the Board, with such resignation to be effective on acceptance by the Board. The Board shall accept (or in rare cases, reject) the resignation within 90 days following the shareholders' meeting at which the candidacy of the director was considered. If the Board determines that there are extraordinary circumstances relating to the composition of the Board or the voting results, the Board may delay the acceptance of the resignation or reject it. The director who tendered the resignation shall not actively participate at (but may attend) any meeting of the Board or any committee of the Board at which the resignation is considered but may not be counted for the purpose of determining whether the Board has quorum. The Board shall issue a press release with the Board's decision and the reasons for that decision. The majority voting policy does not apply to any election of directors at a contested meeting which includes any meeting of shareholders where the number of directors nominated for election at the meeting is greater than the number of seats available on the Board.



## Director Nominee Profiles

Set forth below is biographical and other information with respect to each of the Nominees for election as a director, including principal occupation, business or employment for the past five years or more, and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at March 5, 2021. In addition, the table lists other public companies with whom each nominee is currently serving as a director.

<p><b>Stephen J. Griggs</b> B.A., J.D. Mississauga, Ontario, Canada</p>	<p>Stephen J. Griggs, Chair of Genesis, is also the CEO of Smoothwater Capital Corporation, a private investment company based in Toronto, and the largest shareholder of Genesis.</p> <p>Mr. Griggs is Chair of the Board and CEO of Haventree Holdings Inc., which owns Haventree Bank, (an OSFI regulated bank focusing on the near prime residential mortgages), of which he is Chair of the Board. Mr. Griggs is a member of the Independent Review Committees of the mutual and pooled funds of the Bank of Nova Scotia. He is also the CEO of Underwood Capital Partners Inc., a private investment company, and has been the President and CEO of a major public sector pension plan, and the CEO or COO of several large Canadian based institutional and retail investment managers. Mr. Griggs was a corporate/commercial lawyer with the Toronto law firm Smith Lyons (now Gowlings WLG) until 1994 and is a member of the Law Society of Ontario with a J.D. from the University of Toronto Law School. Mr. Griggs has been an adjunct professor at Osgoode Hall Law School teaching in the area of corporate governance.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"><li>• Age: 61</li><li>• Not independent of management</li><li>• Director since August 28, 2013</li><li>• Chair of the Board since September 2018</li><li>• Chair of the Governance and Compensation Committee</li><li>• Areas of expertise: Strategy, executive management, Canadian law, investment management and corporate governance</li><li>• <b>Attendance at Board meetings in 2020 to date: 10/10 (100%)</b></li><li>• <b>Common Shares owned: 20,524,820 <sup>(1)</sup></b></li></ul>
<p><b>Steven Glover</b> M.B.A., F.C.P.A., F.C.A. Canmore, Alberta, Canada</p>	<p>Mr. Glover, Lead Director of Genesis, has previously served as an executive officer of several reporting issuers or listed entities, most recently (2010 – 2018) as the Chief Financial Officer of Clearview Resources Ltd. He is a director and Chair of the Audit Committee of the Mutual Fund Dealers Association of Canada. Formerly, he was the Vice Chair, director and Chair of the Audit Committee of Travel Alberta, a Crown Corporation.</p> <p>Mr. Glover holds a Bachelor of Mathematics from the University of Waterloo and an M.B.A. from the University of Alberta. He is a Fellow of the Chartered Professional Accountants and served as the executive director of the Institute of Chartered Accountants of Alberta from 1984 to 2005.</p> <p><b>Genesis Board Details:</b></p> <ul style="list-style-type: none"><li>• Age: 68</li><li>• Independent</li><li>• Director since November 18, 2010</li><li>• Lead Director</li><li>• Chair of the Audit Committee</li><li>• Member of the Governance and Compensation Committee</li><li>• Areas of expertise: Finance, corporate governance, and executive management</li><li>• <b>Attendance at Board meetings in 2020 to date: 10/10 (100%)</b></li><li>• <b>Common Shares owned: 43,300</b></li></ul>

**Mark W. Mitchell**  
B.A., M.B.A.  
Calgary, Alberta,  
Canada

Mr. Mitchell currently serves as President of Reliant Capital Limited, a real estate finance company. Mr. Mitchell holds a B.A. (Distinction) in Economics from Stanford University and a M.B.A. from the Wharton School of the University of Pennsylvania.

**Genesis Board Details:**

- Age: 58
- Independent
- Director since June 29, 2010
- Member of the Audit Committee
- Member of the Governance and Compensation Committee
- Areas of expertise: Corporate strategy and finance
- **Attendance at Board meetings in 2020 to date: 10/10 (100%)**
- **Common Shares owned: 7,290,333 <sup>(2)</sup>**

**Loudon Owen**  
B.A., J.D., M.B.A.  
Toronto, Ontario,  
Canada

Loudon Owen is a managing partner at McLean Watson Capital Inc., a venture capital investment firm. Mr. Owen is a venture capitalist, international businessman, and lawyer. His career has spanned more than 30 years, during which he has both led and actively participated in the growth of a host of successful businesses, in addition to extensive charitable and non-profit activities. He previously served on the board of Brookfield Development Corp. in the real estate industry. Mr. Owen holds a B.A. from the University of Toronto, a J.D. from Osgoode Hall Law School, Toronto and an M.B.A. from INSEAD.

**Genesis Board Details:**

- Age: 63
- Independent
- Director since March 22, 2013
- Member of the Audit Committee
- Member of the Governance and Compensation Committee
- Areas of expertise: Corporate law
- **Attendance at Board meetings in 2020 to date: 6/10 (60%)**
- **Common Shares owned: 0**

### Iain Stewart

B.Comm., C.P.A., C.A.,  
ICD.D.  
Calgary, Alberta,  
Canada

Iain Stewart, President and Chief Executive Officer of Genesis, is the former Co-Founder and Co-CEO of Parkbridge Lifestyle Communities Inc., Canada's pre-eminent land lease community owner and operator. He has over 30 years of experience in all aspects of the real estate industry in Canada.

He currently serves on the board of directors and audit committee of Flagship Communities REIT and serves on the board of directors of a not for profit organization which supports projects in developing countries. He holds a Bachelor of Commerce from the University of Alberta, and C.P.A. and ICD.D designations.

#### Genesis Board Details:

- Age: 60 years
- Not independent of management
- Director since September 4, 2013
- Areas of expertise: Real estate management, development and investment, corporate strategy, restructuring, and finance.
- **Attendance at Board meetings in 2020 to date: 10/10 (100%)**
- **Common Shares owned: 103,100 <sup>(3)</sup>**

#### Notes

- <sup>(1)</sup> Stephen J. Griggs is the CEO of Smoothwater Capital Corporation ("Smoothwater") which beneficially owns, or controls or directs, directly or indirectly, 20,524,820 Common Shares. Smoothwater is a corporation wholly-owned by Garfield R. Mitchell who, together with Smoothwater, beneficially owns, or controls or directs, directly or indirectly, 20,536,820 Common Shares, representing approximately 49.0% of the outstanding Common Shares.
- <sup>(2)</sup> Mark W. Mitchell holds 7,211,133 Common Shares through MWM Enterprises Limited and owns 79,200 Common Shares through RRSPs and TFSA's representing, in aggregate, approximately 17.4% of the outstanding Common Shares.
- <sup>(3)</sup> Iain Stewart holds 34,500 Common Shares through Capella Cove Capital Corp., and 68,600 Common Shares through personal and family RRSPs and TFSA's.

#### Cease Trade Orders

None of the persons who are proposed directors of the Corporation, other than Loudon Owen, is, or has been, within 10 years prior to the date of this Circular, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Corporation that:

- was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer of the relevant company; or
- was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

As a result of not filing its annual financial statements, management's discussion and analysis and related certifications for the year ended December 31, 2012 by the filing deadline, Echelon Capital Corp. was made subject to a temporary cease trade order on May 13, 2013, followed by a permanent cease trade order dated May 24, 2013. Mr. Owen had been a director and the Chief Executive Officer of Echelon Capital Corp. but resigned both positions on April 30, 2013, prior to such cease trade orders coming into effect. Echelon Capital Corp. was delisted from the TSX Venture Exchange on September 26, 2013.

Mr. Owen served as a director of Hanfeng Evergreen Inc. (“**Hanfeng**”) until February 24, 2014. On February 19, 2014, a temporary cease trade order was issued by the Ontario Securities Commission against Hanfeng for failure to file interim financial statements for the six-month period ended December 31, 2013 and related management’s discussion and analysis and certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*. The temporary cease trade order was replaced by a permanent cease trade order dated March 3, 2014. The securities commissions of each of Quebec and British Columbia also issued permanent cease trade orders against Hanfeng.

### **Appointment and Remuneration of Auditors**

At the Meeting, shareholders will be asked to approve an ordinary resolution appointing MNP LLP, Chartered Professional Accountants, as the auditors of the Corporation for the ensuing year and to authorize the Board of the Corporation to fix the auditors’ remuneration. MNP LLP was first appointed auditor of the Corporation by resolution of the shareholders on August 19, 2009.

The enclosed form of proxy permits you to vote in favour, or withhold your vote in respect, of the appointment of MNP LLP as the auditors of the Corporation. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in a completed proxy, to vote such proxies “**FOR**” the appointment of MNP LLP as the auditors of the Corporation.

**The Board unanimously recommends that shareholders vote in favour of the re-appointment of MNP LLP as the Corporation’s auditors.**

If a majority of the Common Shares represented at the Meeting should be voted against the appointment of MNP LLP as the auditor of the Corporation, the Board will appoint another firm of chartered professional accountants based upon the recommendation of the Audit Committee, which appointment for any period subsequent to the 2021 meeting of shareholders shall be subject to approval by the shareholders at the next annual general meeting of shareholders.

### **Accounting Fees and Services**

The aggregate amounts billed by MNP LLP to the Corporation with respect to fees payable for audit and audit related engagements, tax, and other services in the fiscal years ended December 31, 2020 and 2019 were as follows:

<b>Type of Service</b>	<b>Fiscal Year Ended December 2020</b>	<b>Fiscal Year Ended December 2019</b>
Audit Fees <sup>(1)</sup>	176,000	170,000
Audit Related Fees <sup>(2)</sup>	71,000	69,000
Tax Fees <sup>(3)</sup>	1,750	-
All Other Fees <sup>(4)</sup>	75,500	45,200
<b>Total</b>	<b>324,250</b>	<b>284,200</b>

#### **Notes**

<sup>(1)</sup> *The aggregate audit fees of the Corporation’s external auditor for audit services.*

<sup>(2)</sup> *The aggregate fees billed or accrued by the Corporation’s external auditor for assurance and related services that are reasonably related to the performance of the quarterly reviews of the Corporation’s financial statements that are not reported under ‘Audit Fees’.*

<sup>(3)</sup> *The aggregate fees billed or accrued by the Corporation’s external auditor for professional services rendered for tax compliance, tax advice and tax planning.*

<sup>(4)</sup> *The aggregate fees billed or accrued by the Corporation’s external auditor for all other services provided such as, but not limited to, procedures relating to ITGC testing as defined in NI 52-109 - “Certification of Disclosure in Issuers’ Annual and Interim Filings”, controls testing, and anti-money laundering reviews.*

The Audit Committee of the Corporation considered the fees and determined that they were reasonable and do not affect the independence of the Corporation’s auditors. Further, the Audit Committee determined that in order to ensure the continued independence of the auditors, only limited non-audit related services would be provided to the Corporation by MNP LLP and in such case, only with the prior approval of the Audit Committee. See “Audit Committee” below for additional information.

## Other Business

Management is not aware of any other matters to come before the Meeting other than those set out in the Notice. If other matters come before the Meeting, it is the intention of the individuals named in the form of proxy to vote the same in accordance with their best judgment in such matters.

## PART II – VOTING

This Circular, which is being mailed to shareholders on or about April 8, 2021, is furnished in connection with the solicitation by and on behalf of management of the Corporation of proxies to be used at the Meeting to be held on Friday, May 14, 2021 at the time and place and for the purposes set forth in the accompanying Notice, or any adjournments or postponements thereof.

The costs incurred in the preparation and mailing of both the instrument of proxy and this Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor. We may also use the services of outside firms to solicit proxies. The cost of proxy solicitation will be paid by the Corporation.

The persons named (the “**Management Designees**”) in the accompanying form of proxy have been selected by the Board and have indicated their willingness to represent as proxy the shareholder who appoints them. **A shareholder has the right to appoint any person (who needs not be a shareholder), other than the directors or officers of the Corporation named in the accompanying form of proxy, to attend and to vote and act for and on behalf of such person at the Meeting.**

**In order for proxies to be recognized at the Meeting or any adjournments or postponements thereof, the shareholder may insert the name of such person in the blank space provided in the instrument of proxy or may use another appropriate form of proxy.** All instruments of proxy must be deposited with Computershare Trust Company of Canada (together with Computershare Investor Services Inc., collectively “**Computershare**”), 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment or postponement thereof. The Chairman of the Meeting may refuse to recognize any form of proxy received after such time. See “Appointment of Proxies” below.

As a result of ongoing provincial COVID-19 limitations and restrictions on in-person indoor gatherings, our Meeting will be held as a virtual only shareholders meeting. Registered shareholders and duly appointed proxyholders can attend the Meeting online at <https://web.lumiagm.com/257489824> where they can participate and vote during the Meeting’s live webcast as follows:

- Registered shareholders and duly appointed proxyholders can participate in the Meeting by clicking ‘*I have a login*’ and entering a Username and Password before the start of the Meeting.
  - Registered shareholders - the 15-digit control number located on the form of proxy or in the email notification you received is your Username.
  - Duly appointed proxyholders – Computershare will provide the proxyholder with a Username after the voting deadline has passed.
- The Password for the Meeting is “gldc2021”.

See “Participating in the Meeting” below for additional information.

Shareholders who wish to appoint a third-party proxyholder to represent them at the virtual only Meeting must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy or voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. To register a proxyholder, shareholders **MUST** visit <http://www.computershare.com/GenesisLandDev> by no later than **May 12, 2021 at 9:00 AM** and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with a Username via email.

In order to participate in the virtual only Meeting, registered shareholders must have a valid 15-digit control number and duly appointed proxyholders must have received an email from Computershare containing a Username. Whether you participate in the virtual only

Meeting as a registered shareholder or duly appointed proxyholder, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences.

Voting at the Meeting will only be available for registered shareholders and duly appointed proxyholders. Beneficial Shareholders (as defined below), who have not appointed themselves as proxyholder may attend the Meeting as a guest by clicking “I am a guest” and completing the online form. A Beneficial Shareholder that attends the Meeting as a guest will not be able to participate or vote during the Meeting. See “Advice to Beneficial Shareholders” below for additional information.

### **Revocation of Proxies**

***A proxy is revocable. The giving of a proxy will not affect the right of a shareholder to attend and vote at the Meeting.*** A shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing, executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a corporation, executed by a duly authorized officer or attorney thereof, and deposited either at the registered office of the Corporation, 6240, 333 – 96 Ave. NE, Calgary, Alberta, T3K 0S3, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the Chair of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof. The Chair of the meeting may waive or extend the proxy cut-off without notice.

### **Participating in the Meeting**

The virtual only Meeting will be hosted online by way of a live webcast. Shareholders will not be able to attend the online Meeting in person. A summary of the information shareholders will need to attend the online meeting is provided below. The meeting will begin at 9:00 a.m. (Mountain Daylight Time) on Friday, May 14, 2021.

Registered shareholders that have a 15-digit control number, along with duly appointed proxyholders who were assigned a Username by Computershare, will be able to vote and submit questions during the Meeting. To do so, please go to <https://web.lumiagm.com/257489824> prior to the start of the Meeting to login. Click on ‘I have a login’ and enter your 15-digit control number or Username along with the password “gldc2021”.

If a registered shareholder or duly appointed proxyholder uses a 15-digit control number to login to the online Meeting and accepts the terms and conditions, that registered shareholder or duly appointed proxyholder will be:

- revoking any and all previously submitted proxies; and
- will be provided the opportunity to vote during the Meeting by ballot on the matters put forth at the Meeting.

A registered shareholder or duly appointed proxyholder that does not wish to revoke all previously submitted proxies should not accept the terms and conditions, in which case that registered shareholder or duly appointed proxyholder will enter the Meeting as a guest and all previously submitted proxies will be voted at the Meeting in accordance with their terms.

Beneficial Shareholders who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on “I am a Guest” and completing the online form.

A beneficial shareholder can attend the Meeting and vote by writing his or her name in the place provided for that purpose on the Voting Instruction Form (“VIF”). You can also write the name of someone else you wish to attend the Meeting and vote on your behalf. To complete the appointment process, please also log on to <http://www.computershare.com/GenesisLandDev> and add the name and email address of your chosen appointee. An email will be sent to the appointee with information which will allow them to log on to the Meeting and vote. Failure to complete the second step of the appointment process will be considered an incomplete proxy appointment and the appointee won’t be able to vote at the Meeting. Subject to applicable law, the person whose name is written in the space provided will have full authority to represent the beneficial shareholder at the Meeting and vote on all matters that are presented at the Meeting on the beneficial shareholder’s behalf. Beneficial shareholders should consult a legal advisor if they wish to modify the authority of an appointee in any way or seek assistance from their broker or investment advisor.

If you are Beneficial shareholder located in the United States and wish to vote at the Meeting or, if permitted, appoint a third party as

your proxyholder, in addition to the steps described above, you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form sent to you or contact your intermediary to request a legal proxy form if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit a properly completed legal proxy to Computershare. Requests for registration from non-registered (beneficial) shareholders located in the United States that wish to vote at the Meeting or, if permitted, appoint third parties as their proxyholders must be sent by e-mail or by courier to: [uslegalproxy@computershare.com](mailto:uslegalproxy@computershare.com) (if by e-mail); or Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, Canada (if by courier), and in both cases, must be labeled "Legal Proxy" and received no later than the proxy cut-off.

**Please note that you are required to register your appointment at <http://www.computershare.com/GenesisLandDev>.**

Beneficial Shareholders who do not have a 15-digit control number or Username will only be able to attend the Meeting as a guest which allows them listen to the Meeting but not vote or submit questions. See "Advice to Beneficial Shareholders" below.

Whether you participate in the virtual only Meeting as a registered shareholder or duly appointed proxyholder, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences, and it is your responsibility to ensure connectivity for the duration of the Meeting.

### **Voting of Common Shares**

Common Shares represented by any properly executed proxy in the accompanying form will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder. ***In the absence of such direction, the Common Shares will be voted in favour of the matters set forth herein.***

***The accompanying proxy confers discretionary authority on the Management Designees with respect to amendments or variations to matters identified in the Notice or other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgement of management of the Corporation.***

A registered shareholder or that shareholder's duly appointed proxyholder, or a Beneficial Shareholder who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of shareholders prepared by Computershare, the transfer agent and registrar for the Meeting. To have their Common Shares voted at the Meeting each registered shareholder or proxyholder will be required to enter their control number or Username provided by Computershare at <https://web.lumiagm.com/257489824> prior to the start of the Meeting. In order to vote, Beneficial Shareholders who appoint themselves as a proxyholder must register with Computershare at <http://www.computershare.com/GenesisLandDev> after submitting their voting instruction form in order to receive a Username. See "Appointment of Proxies" below for additional information.

### **Appointment of Proxies**

Shareholders who wish to appoint a third-party proxyholder to represent them at the virtual only online Meeting must submit their proxy or voting instruction form, as applicable, prior to registering a proxyholder. Registering a proxyholder is an additional step once a shareholder has submitted a proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. To register a proxyholder, shareholders must visit <http://www.computershare.com/GenesisLandDev> by **May 12, 2021 at 9:00 AM** and provide Computershare with the proxyholder's contact information, so that Computershare may provide the proxyholder with a Username by email. **Without a Username, proxyholders will not be able to vote at the Meeting.**

A proxy can be submitted to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at [www.investorvote.com](http://www.investorvote.com). The proxy must be deposited with Computershare by no later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting, or if the Meeting is adjourned or postponed, not less than forty-eight (48) hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. If a shareholder who has submitted a proxy attends the online Meeting webcast and has accepted

the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot during the Meeting will be counted and all previously submitted proxies will be disregarded.

### **Advice to Beneficial Shareholders**

***The information set forth in this section is of significant importance to many shareholders who hold Common Shares through brokers and their nominees, as a substantial number of shareholders do not hold Common Shares in their own name and as a result are not registered shareholders.***

Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons or who otherwise do not hold their Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”), do not appear on the register of shareholders maintained by Computershare as registrar and transfer agent of the Corporation and, accordingly, are not registered shareholders. Only proxies deposited by shareholders who appear on the register of shareholders maintained by Computershare as the Corporation’s registrar and transfer agent will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Each Beneficial Shareholder should therefore ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “**NOBOS**”. Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “**OBOs**”.

### **Distributions to NOBOS and OBOs**

In accordance with the requirements of National Instrument 54-101 -*Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (“**NI 54-101**”), the Corporation has elected to rely on delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting (the “**Meeting Materials**”).

The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. Intermediaries will frequently use service companies to forward the Meeting Materials to the OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

- a) be given a form of proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Computershare Investor Services Inc.; or



b) more typically, be given a voting instruction form (“VIF”) which is not signed by the intermediary, and which, when properly completed and signed by the OBO and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow.

The Corporation will not be paying for intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the Meeting Materials and related documents. Accordingly, an OBO will not receive copies of the Meeting Materials and related documents unless the OBO’s intermediary assumes the costs of delivery.

**The Meeting Materials are being sent to both registered shareholders of the Corporation and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.**

The Meeting Materials sent to NOBOs who have not waived the right to receive meeting materials are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a NOBO is able to instruct the voting of the Common Shares owned by the NOBO.

VIFs, whether provided by the Corporation or by an intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on the Beneficial Shareholder’s behalf, the Beneficial Shareholders may request a form of proxy as set forth in the VIF, which will grant the Beneficial Shareholders, or Beneficial Shareholder’s nominee, the right to attend and vote at the Meeting.

**A Beneficial Shareholder who receives a VIF cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to the intermediary (or instructions respecting the voting of Common Shares must otherwise be communicated to the intermediary) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

A Beneficial Shareholder will not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker. A Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder and following the procedures outlined above in order to be eligible to participate and vote at the Meeting.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to registered shareholders unless specifically stated otherwise.

## **Quorum**

By-Law No. 1 of the Corporation provides that a quorum of shareholders is present at a meeting of shareholders if at least two persons are present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy, and who hold or represent by proxy in the aggregate not less than twenty-five percent (25%) of the outstanding Common Shares entitled to be voted at the meeting.

## **Voting Securities and Principal Holders Thereof**

Registered holders of Common Shares as shown on the shareholders’ list prepared as of the Record Date will be entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held, except to the extent that: (i) a registered shareholder has transferred the ownership of any of their Common Shares after the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares,

and demands, not later than ten (10) days before the Meeting, or a shorter period as may be permitted, that his or her name be included on the list of persons entitled to vote at the Meeting, in which case, the transferee shall be entitled to vote such Common Shares at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares. As of the date of this Circular, 41,863,335 Common Shares were issued and outstanding. The Corporation is also authorized to issue an unlimited number of preferred shares, of which none have been issued. To the knowledge of the Corporation's directors and officers, and as of the date hereof, no person beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to all outstanding Common Shares, other than as set forth below.

Name	Number of Common Shares <sup>(1)</sup>	Percentage of Issued Common Shares
Garfield R. Mitchell Toronto, Ontario	20,536,820 <sup>(2)</sup>	49.0%
Mark W. Mitchell Calgary, Alberta	7,290,333 <sup>(3)</sup>	17.4%

**Notes**

- <sup>(1)</sup> The information as to the Common Shares beneficially owned, not being within the knowledge of the Corporation, is based on information filed on SEDI by the foregoing shareholders.
- <sup>(2)</sup> Garfield R. Mitchell holds 20,524,820 Common Shares through Smoothwater Capital Corporation, a company of which he is the sole shareholder. In addition, Mr. Mitchell owns 12,000 Common Shares through RRSPs and TFSAs.
- <sup>(3)</sup> Mark W. Mitchell holds 7,211,133 Common Shares through MWM Enterprises Limited and owns 79,200 Common Shares through RRSPs and TFSAs.

## PART III – COMPENSATION

### General

The Board has delegated to the Governance and Compensation Committee the responsibility for the oversight, review, and recommending to the Board for approval the Corporation's compensation policies and the level of non-executive director and executive compensation. The Governance and Compensation Committee is currently comprised of four directors, Stephen J. Griggs (Chair), Steven Glover, Mark W. Mitchell and Loudon Owen. Mr. Glover, Mr. Mitchell and Mr. Owen are considered independent under National Instrument 52-110 *Audit Committees* ("NI 52-110"). Decisions of the Governance and Compensation Committee are by a majority vote and all key compensation matters are also subject to Board approval.

The members of the Governance and Compensation Committee were selected according to their experience and their knowledge of matters to be dealt with by the Governance and Compensation Committee. Each member of the Governance and Compensation Committee has direct experience that is relevant to his responsibilities in executive compensation, as well as the skills and experience necessary to enable him to make decisions as to the suitability of the Corporation's approach to and determination of executive compensation. Members of the Governance and Compensation Committee acquired these skills through their experience with various companies and organizations as executive officers or as corporate directors, including being a member of a similar committee on another board. Please see *Director Nominee Profiles* on pages 9 to 11 of this Circular for biographical information concerning members of the Governance and Compensation Committee.

### Compensation of the Board of Directors

The primary objectives of the Governance and Compensation Committee respecting director compensation are: a) to ensure that the remuneration fairly reflects the responsibilities and time commitment required of its directors; b) is competitive with similarly sized public companies; and c) is sufficient to attract and retain qualified directors.

In 2020, the Governance and Compensation Committee conducted a review of the existing directors' compensation plan comprised of fees paid as annual retainers. In 2020, the Board approved an annual fee increase of \$10,000 for the Board Retainer for all directors and reductions of \$60,000 for the Chair of the Board Retainer and \$15,000 for the Lead Director Retainer. The Committee Chair Retainer remained unchanged. Each director is expected to be a member of one or more committees as part of their annual director

retainer and therefore no additional committee member fees are paid. In 2018, the Board also determined that directors be granted stock options (“Options”) under the Option Plan (see below under “Compensation Discussion and Analysis”) to provide a component of long-term compensation to directors based on a multiple of 2.25 times the average director base fee compensation. No further Options have been issued to directors since 2018. Options, in addition to minimum share holding requirements, contribute to alignment with shareholder interests.

### **Directors’ Cash Compensation**

Directors fees are paid by way of annual board and committee retainers, prorated from the date of the director’s appointment to the Board and relevant committees, and are paid semi-monthly. No additional meeting fees are paid to directors. Iain Stewart is not paid directors’ fees following his appointment as President and Chief Executive Officer of the Corporation on September 20, 2018.

Directors are paid Board and committee retainers on an annual basis according to the following rates:

Chair of the Board Retainer	\$80,000
Lead Director Retainer	\$10,000
Board Retainer for all directors	\$50,000
Committee Chair Retainer	\$20,000
Member of Committee Retainer	\$0

The Corporation did not have a retirement plan for its directors in 2020. The Corporation did not provide any benefits to directors in 2020, although each director had the option to allocate up to \$7,500 per annum of fees to a corporate health care spending account.

The following table sets forth information in respect of all amounts of compensation (fees, incentive awards and the value of any benefits) paid or provided to the directors of the Corporation during the financial year ended December 31, 2020.

Director	Fees Earned (\$)	Share-Based Awards (\$)	Non-Cash Option-Based Awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation <sup>(2)</sup> (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Steven Glover <sup>(3)</sup>	\$87,292	Nil	Nil	20,250	Nil	Nil	\$107,542
Stephen J. Griggs <sup>(3)</sup>	\$179,167	Nil	Nil	67,500	Nil	Nil	\$246,667
Loudon Owen	\$52,917	Nil	Nil	20,250	Nil	Nil	\$73,167
Mark W. Mitchell	\$51,563	Nil	Nil	20,250	Nil	Nil	\$71,813
<b>Total</b>	<b>\$370,939</b>	Nil	Nil	128,250	Nil	Nil	<b>\$499,189</b>

#### **Notes**

<sup>(1)</sup> No Options were granted to directors in 2020.

<sup>(2)</sup> In 2020, directors received DSUs related to their Option holdings. To avoid the long-term impacts of dividends on the value of Options and ensure Options continue to enable the Corporation to attract and retain qualified directors, in respect of dividends paid on Common Shares the Corporation issues to directors with outstanding Options DSUs with an value equivalent to the dividends that would have been received in respect of the Common Shares had the Options been exercised. See Appendix “1” Summary of the Option Plan.

<sup>(3)</sup> Each director may allocate up to \$7,500 per annum of fees to a corporate health care spending account. In 2020, Messrs Glover and Griggs opted to allocate \$7,500 each to this account in lieu of an equivalent amount of cash compensation. Fees Earned above includes both fees and allocations to the corporate health care spending account by each director, if any.

## Directors' Incentive Plan Awards

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

No Options were granted to directors in 2020.

The following table sets forth information in respect of Option-based and share-based awards held by the directors that were outstanding at the end of the financial year ended December 31, 2020. Options expire seven years from the Option grant date, and vest as to 25% on each of the first, second, third and fourth anniversaries of the Option grant date.

Director <sup>(1)</sup>	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options <sup>(2)</sup> (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or payout value of Share-Based Awards that have not Vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed <sup>(3)</sup> (\$)
Steven Glover	135,000	3.12	Dec 12, 2025	Nil	Nil	Nil	Nil
Stephen J. Griggs	450,000	3.48	Sep 20, 2025	Nil	Nil	Nil	Nil
Loudon Owen	135,000	3.12	Dec 12, 2025	Nil	Nil	Nil	Nil
Mark W. Mitchell	135,000	3.12	Dec 12, 2025	Nil	Nil	Nil	Nil

#### Notes

- <sup>(1)</sup> Information regarding Option-based and share-based awards held by Iain Stewart is included in the table entitled "Outstanding Share-Based and Option-Based Awards" held by each NEO at December 31, 2020" on page 30.
- <sup>(2)</sup> The value of the unexercised in-the-money Options is calculated as the difference between the closing price of the Common Shares on the TSX on December 31, 2020, being \$2.09, and the applicable exercise price of the Options.
- <sup>(3)</sup> DSUs are settled in cash, and accordingly are not share-based awards. The Corporation granted DSUs to the non-employee directors in 2020.

### Incentive Plan Awards to Directors – Value Vested or Earned during the Year

The following table shows the Incentive Plan Awards value vested or earned for each director for 2020.

Director <sup>(1)</sup>	Option-Based Awards – Value Vested During the Year <sup>(2)</sup> (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Steven Glover	Nil	Nil	Nil
Stephen J. Griggs	Nil	Nil	Nil
Loudon Owen	Nil	Nil	Nil
Mark W. Mitchell	Nil	Nil	Nil

#### Notes

- <sup>(1)</sup> The disclosure regarding value vested or earned during 2020 for Iain Stewart is included in the table entitled "Incentive Plan Awards – Value Vested or Earned by each NEO during 2020" on page 30.
- <sup>(2)</sup> Represents the aggregate dollar value that would have been realized if the Options under the Option-based award had been exercised on vesting date based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the Options held.

### Director Share Ownership Guidelines

To align the interests of directors with those of shareholders, the Board has a minimum share ownership requirement policy for its directors. All directors are expected to hold, control, own or be a representative of an entity which owns or controls Common Shares having an acquisition cost of a minimum of three times the then basic retainer within 18 months from the adoption of the policy. New directors are expected to meet this ownership requirement within three years of first being elected to the board. In the event that a director fails to meet this requirement, he or she will have 30 days (or such longer period agreed to by the Board in its sole discretion) to cure such non-compliance, failing which, the director is expected to tender his or her resignation as a director. The Board will accept the resignation absent highly unusual circumstances and/or may take whatever action it deems appropriate in its sole discretion.

All current directors, except Loudon Owen, are in compliance with this policy as of the date of this Circular. The Board has agreed that Mr. Owen will have until September 30, 2021 to acquire Common Shares.

#### ***Directors' and Officers' Insurance***

The Corporation maintains a liability insurance policy for the benefit of the directors and officers of the Corporation. The policy provides coverage for costs incurred to defend and settle claims to an annual liability limit of \$10 million per claim and an additional \$10 million limit of liability. There is an additional \$5 million limit Side A DIC (difference-in-conditions) policy for the benefit of individual directors and officers in the event that the underlying policies are eroded. Depending on the category of the claim made, there is a deductible amount of either \$50,000 or \$100,000 per claim.

#### ***Director Terms***

The Corporation does not have formalized term limits in place for its directors and there is no mandatory retirement age in respect of a director's service on the Board. Directors' experience is a valuable asset to shareholders, and we believe it is important to have directors who understand the industry and the Corporation. While term limits can help ensure the Board gains new perspectives, imposing this restriction means it would lose the contributions of longer serving directors who have developed a deeper knowledge and understanding of the Corporation over time. Genesis may consider adoption of term limits for its directors in the future.

#### ***Director Attendance***

Attendance records are disclosed in the table of meetings held on page 38 of the Circular. Directors are expected to attend all meetings of the Board and Board committees upon which they serve, to attend such meetings fully prepared and to remain in attendance for the duration of the meeting.

#### ***In Camera Sessions***

Meetings of the Board and its committees include an "in camera" session at which only the Chief Executive Officer is in attendance and also without him present. The Board also holds "in camera" meetings without the Chair present.

#### ***Director Assessment***

The Board has established a formal process that every two years the directors complete a written self-assessment questionnaire of the effectiveness of the Board, its committees, the Chair and the Lead Director. The directors provide quantitative ratings of key areas and also provide comments in each of the areas. The last self-assessment was completed by all directors in November 2019 and reviewed by the Board in detail in March 2020. As the process occurs every two years, the next assessment will occur in November 2021.

The Board maintains an updated skills matrix to help identify any gaps in competencies required by the Corporation. Each director is asked annually to indicate his level of skills and competencies demonstrated. This process helps the Board to ensure that key skills are accounted for in current directors and to prioritize skills needed in prospective directors for succession planning.

#### ***Succession Planning***

The Board considers Chief Executive Officer and other senior executive succession plans on at least an annual basis.

#### ***Board Education***

Directors are encouraged to participate in continuing education. The Board has a director education policy which will reimburse each director up to \$2,000 per year for relevant educational programs.

#### ***Risk Oversight***

The Board is responsible for managing significant risks of the Corporation and ensures there are systems in place to effectively monitor and manage those risks associated with Genesis' compensation policies and practices.

## PART IV – COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Discussion and Analysis described below provides information about and explains the Corporation's philosophy for executive compensation, the elements of compensation and the general objectives for such elements in 2020. This disclosure is intended to communicate the compensation provided to the identified named executive officers (each an “**NEO**”) of the Corporation.

An NEO of the Corporation is defined by securities legislation to mean each of the following individuals, namely: (i) the Chief Executive Officer (the “**CEO**”) of the Corporation; (ii) the Chief Financial Officer of the Corporation (the “**CFO**”); (iii) each of the Corporation's three most highly compensated Executive Officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a NEO under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

The NEOs of the Corporation in 2020 were Iain Stewart, CEO; Wayne King, CFO; Arnie Stefaniuk, Vice-President, Land Development; Brian Whitwell, Vice-President, Asset Management; and Parveshinder Sidhu, President, Genesis Builders Group Inc. and Vice-President, Home Building (Mr. Stefaniuk, Mr. Whitwell and Mr. Sidhu, collectively the “**Vice-Presidents**”).

The compensation plan for the NEOs in 2020 consisted of a base salary, a discretionary annual cash bonus and participation in the Corporation's long-term incentive plans consisting of the Corporation's stock option plan (“**Option Plan**”) and deferred share unit plan (“**DSU Plan**” and together with the Option Plan, in respect to 2020, the “**LTIP**”). No options were granted under the Option Plan in 2020.

During 2020 the Governance and Compensation Committee and Board reviewed the Corporation's approach to long term compensation. Potential revisions to the Genesis' long-term incentive approach were discussed at a Board meeting in July 2020. Among the considerations were the ability to continue to motivate and retain qualified and experienced employees who contribute to the long-term success of the business and ensure incentive compensation adequately rewards performance. A proposal for a revised long-term compensation approach with elements more directly tied to value creation and performance was presented at the January 2021 Board meeting. Following review and discussion, and on the recommendation of the Governance and Compensation Committee, the Board approved the adoption of a performance unit plan (“**PUP**” and together with the DSU Plan, in respect to 2021, the “**LTIP**”). It was also agreed at the Board meeting that (i) all existing options for the NEOs be cancelled; (ii) no further grants of options be made under the Option Plan to the NEOs; and (iii) the DSU vesting period be reduced from four years to three years for all future DSUs awarded.

### Objectives of Compensation Process

The Corporation's executive compensation plan is designed to:

- align the interests of the executive officers with those of the Shareholders;
- enable the Corporation to attract qualified executives who demonstrate leadership and management skills;
- motivate and retain qualified, and experienced individuals who will contribute to the long-term success of the business and reward long term value creation and performance; and
- balance appropriate levels of risk and reward.

The Governance and Compensation Committee makes recommendations to the Board regarding compensation to be provided to the NEOs. Mr. Stewart recused himself during the Board's discussions regarding his compensation as CEO.

The Governance and Compensation Committee's recommendations are based on the underlying philosophy that compensation should:

- incentivize and reward the achievement of specific annual objectives as well as the long-term and strategic goals established by the Board;
- reflect the experience, performance and contribution of the individuals involved;
- take into consideration the overall growth, performance and success of the Corporation on behalf of shareholders; and

- position the Corporation to retain individuals contributing to its success.

The Governance and Compensation Committee considers compensation packages that would be available to such officers from other employment opportunities based on available salary data, publicly disclosed information and the director's knowledge of the local market place.

## **Compensation of the NEOs**

The 2020 compensation plan for each NEO included an annual base salary, benefits, an annual cash bonus calculated as a percentage of salary, and participation in the LTIP.

Cash payments (consisting of base salaries and discretionary annual cash bonuses) are intended to primarily reward annual performance, while LTIP incentives are meant to encourage executives to continue to deliver results over a longer period of time, to align their interests with those of shareholders and to serve as a retention tool.

### ***Base Salaries***

Annually, the Board determines the base salary for the CEO. The base salaries for the NEOs, other than the CEO, are determined annually by the CEO in consultation with the Governance and Compensation Committee and approved by the Board.

Base salaries are intended to ensure internal consistency and fairness and are based on market factors. The base salaries are reviewed annually having regard to the change in the cost of living and whether there has been any material change in their level of responsibility.

Base salaries for the NEOs in 2020 were increased to reflect an increase in the cost of living in the Calgary area.

### ***Annual Incentive Plan***

The annual or short-term incentive plan for the NEOs consists of a discretionary cash bonus. As discussed further below, the Board approves strategic and operational objectives for each NEO. The Board also approves minimum performance requirements, below which no award would be made for that objective, as well as maximum performance criteria. If all objectives are achieved at "maximum" as determined by the Board, subject to the overall discretion of the Board, the CEO is eligible to earn an annual cash bonus of up to 70% of his base salary and the CFO and each of the Vice-Presidents are eligible to earn an annual cash bonus of up to 40% of their base salary.

Annually the Board assesses the CEO's performance, and the CEO provides an assessment to the Governance and Compensation Committee of the individual performance of the CFO and the Vice-Presidents, as well as of the relevant strategic and operational metrics, and recommends individual cash bonuses to be paid to the NEOs (other than the CEO). The Governance and Compensation Committee undertakes a similar assessment of the CEO annually. The Governance and Compensation Committee considered the assessments and recommendations of the CEO, as well as the annual cash bonus for the CEO, and recommended the annual cash bonuses for approval by the Board.

### ***Long Term Incentive Plan Awards***

As noted above, LTIP awards for the NEOs are intended to link the interests of the NEOs and shareholders by rewarding the NEOs for the creation of shareholder value in the long term, to attract, retain and motivate qualified executives and to align executive performance with a long-term focus on creating and preserving shareholder value. Annually the Board reviews and determines the DSUs to be awarded in the subsequent year. Similarly, beginning with the initial review in January 2021 of units ("Units") to be granted under the PUP for 2021, the Board will annually review and determine Units to be awarded in the subsequent year.

### ***CEO***

The Board annually sets operating and financial objectives and the target performance criteria for the annual cash bonus and LTIP awards for the CEO.

The annual cash bonus for the CEO is targeted at 50% of base salary, and up to a maximum of 70% of base salary, based on achieving strategic and operational objectives as determined by the Board. The CEO's 2020 objectives related to oversight and stewardship of the preparation of detailed overall and project-based business plans, undertaking certain strategic acquisitions and

sales programs, the refinement of succession and development plans for executive officers, the Corporation's annual cash flow and the overall performance results of the other NEOs. In 2020, the CEO was awarded a cash bonus of \$200,000, representing 65.4% of his base salary. See Summary Compensation Table on page 29 of this Circular.

For 2020, LTIP eligible incentives for the CEO consisted of grants made pursuant to the Option Plan and the DSU Plan. The CEO did not receive a grant of Options in 2020. In 2020, the CEO was eligible for a DSU grant equal to up to 40% of his base salary at the discretion of the Board and was granted 53,790 DSUs which vest equally over four years. In addition, 6,300 DSUs were awarded reflecting the value of the dividend declared in 2020 in relation to DSUs held by the CEO.

Beginning in 2021 the CEO will be eligible to receive up to 100% of his base salary in LTIP incentive awards, at the discretion of the Board, comprised of 50% Units vesting three years from the applicable grant date (or earlier upon death or cessation of employment) and 50% DSUs vesting over three years.

#### *CFO*

The annual cash bonus of the CFO is targeted at 30% of base salary, and up to a maximum of 40%, based on achieving strategic and operational objectives as determined by the Board. The CFO's 2020 annual cash bonus objectives related to the development of detailed overall and project-based business plans, oversight of capital allocation, development of succession and development plans for his team, corporate reporting objectives, improved investor communications, the Corporation's annual cash flow, the overall performance of the Vice-Presidents and overall corporate performance. In 2020, the CFO was awarded a cash bonus of \$60,000, representing 37.5% of his base salary. See Summary Compensation Table on page 29 of this Circular.

For 2020, eligible LTIP incentives for the CFO consisted of grants made pursuant to the Option Plan and the DSU Plan. The CFO did not receive a grant of Options in 2020. In 2020, the CFO was eligible for a DSU grant equal to up to 16% of base salary at the discretion of the Board and was granted 12,597 DSUs which vest equally over four years. In addition, 1,320 DSUs were awarded reflecting the value of the dividend declared in 2020 in relation to DSUs held by the CFO.

Beginning in 2021 the CFO will be eligible to receive up to 40% of his base salary in LTIP incentive awards, at the discretion of the Board, comprised of 50% Units vesting three years from the applicable grant date (or earlier upon death or cessation of employment) and 50% DSUs vesting over three years.

#### *Vice-Presidents*

The annual cash bonus of each Vice-President is targeted at 30% of base salary, and up to a maximum of 40% of base salary, based on achieving operational objectives as determined by the Board specific to the responsibilities of each Vice-President. The 2020 annual cash bonus operational objectives for the Vice-Presidents related to achieving approved budgets measured against specific sales targets, capital expenditure budgets, general and administrative costs controls, achieving targeted dates for certain regulatory approvals, the Corporation's annual cash flow and/or overall corporate and team performance. See Summary Compensation Table on page 29 of this Circular for information regarding the annual cash bonus earned by each Vice-President for 2020 which was \$60,000 representing 37.5% of his base salary.

For 2020 eligible LTIP incentives for the Vice-Presidents consisted of grants made pursuant to the Option Plan and the DSU Plan. The Vice-Presidents did not receive a grant of Options in 2020. In 2020, the Vice-Presidents were each eligible for a DSU grant equal to up to 16% of base salary at the discretion of the Board and were granted 12,597 DSUs which vest equally over four years. In addition, 1,320 DSUs were awarded to each Vice-President reflecting the value of the dividend declared in 2020 in relation to DSUs held by the respective Vice-President.

Beginning in 2021 each Vice-President will be eligible to receive up to 40% of his base salary in LTIP incentive awards at the discretion of the Board, comprised of 50% Units vesting three years from the applicable grant date (or earlier upon death or cessation of employment) and 50% DSUs vesting over three years.

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

##### *Option Plan, Share Based Compensation & Non-equity Incentive Plan Compensation*

In 2020, the Corporation had two long term compensation plans, being the Option Plan and the DSU Plan. The Option Plan was approved by shareholders at the annual meeting of shareholders held in May 2019.



Shareholder approval of the DSU Plan was not required since it does not contemplate the issuance of any Common Shares or any other securities of the Corporation from treasury and the DSUs issued thereunder will all be settled in cash.

### Option Plan

For a summary of the Option Plan see Appendix “1”.

The following table sets out the annual burn rate for the Option Plan for the financial years 2020, 2019 and 2018:

	December 31, 2020	December 31, 2019	December 31, 2018
Burn rate <sup>(1)</sup>	0%	1.9%	4.7%

#### **Notes**

- <sup>(1)</sup> This number is calculated as the number of options granted under the Option Plan during the applicable year divided by the weighted average number of Common Shares outstanding for the applicable year, expressed as a percentage.
- <sup>(2)</sup> The Option Plan was effective September 20, 2018.

### *DSU Plan*

The DSU Plan provides for grants of DSUs to officers and employees of the Corporation and its subsidiaries designated by the Board (“**Designated Employees**”) and to non-employee directors of the Corporation and its subsidiaries (“**Directors**”). The purpose of the DSU Plan is to provide such persons (each, a “**Participant**”) with long term compensation opportunities which: (a) are compatible with shareholder interests; (b) will encourage a sense of ownership; and (c) will enhance the Corporation’s ability, and the ability of subsidiaries of the Corporation, to attract and retain key personnel and reward significant performance achievements.

Under the DSU Plan, the Board will determine or designate a method to determine which Designated Employees and Directors, if any, will be eligible or (in the case of Directors) required, in any particular fiscal year, to participate in the DSU Plan and the terms and conditions of any DSU awarded to such individuals. Directors and Designated Employees who are determined to be eligible by the Board in any particular fiscal year may elect to receive in DSUs a specified percentage of their remuneration for service as a member of the Board (in the case of Directors) (“**Director’s Retainer**”) or annual bonus award (in the case of Designated Employees) for such fiscal year (in either case, the “**Deferred Amount**”) as follows:

- in the case of a Director who is not newly appointed during such fiscal year, giving written notice specifying an amount (expressed as a percentage) of the Director’s Remuneration to be earned by such individual in the fiscal year following the fiscal year in which such election is made;
- in the case of a Director who is newly appointed during such fiscal year, giving written notice within 30 days of such individual’s appointment as a Director specifying an amount (expressed as a percentage) of the Director’s Remuneration to be earned by such individual in the fiscal year after the date on which such election is made; and
- in the case of a Designated Employee, giving written notice prior to the time such Designated Employee has been notified by the Corporation or a subsidiary of the Corporation of such individual’s bonus award for that particular fiscal year.

The DSU Plan is administered by the Board, which has authority to delegate the administration and operation of the DSU Plan to a committee and to determine the terms and conditions of any grant of DSUs.

The number of DSUs granted at any particular time pursuant to the DSU Plan will be credited to the holder’s DSU account and calculated by: (a) dividing the Deferred Amount by the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed and posted for trading on the last trading day immediately preceding the date the DSU is granted, which, in the case of Directors, is the date that is not later than 10 Business Days following the end of each fiscal quarter and, in the case of a Designated Employee, is the date that is not later than 10 Business Days following the date on which the cash payment in lieu of which the applicable DSUs are being issued would otherwise have been paid to such Designated Employee.

DSUs cannot be redeemed except upon the occurrence of the earliest of one of the following events (each such event, a “**Redemption Event**”): (a) the death of the Participant; (b) the retirement of such Participant; or (c) in the case of a Designated Employee, the termination of such Participant’s employment.

When a Redemption Event occurs, the Participant will be entitled to receive a lump sum payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in that Participant's DSU account on the date of the Redemption Event and (ii) the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed and posted for trading on the last trading day immediately prior to the date of the Redemption Event. The Corporation will make the applicable lump sum payment within 90 days of the Redemption Event.

The DSU Plan also contains provisions providing for adjustments to the DSU Plan or outstanding DSUs to preserve the intended benefits of the Plan for a Participant following any subdivision or consolidation of the Common Shares, payment of dividends in stock, reclassification or conversion of the Common Shares, recapitalization, reorganization or any other event which necessitates an adjustment. In addition, in respect of cash dividends paid on Common Shares, the DSU Plan provides that the Corporation shall determine the applicable dividend rate (expressed as a percentage based on the closing trading price of the Common Shares on the dividend record date) and credit additional DSUs to each Participant based on the number of DSUs held multiplied by the applicable dividend rate.

Each DSU is non-assignable and non-transferrable. The Board may, at any time or from time-to-time, suspend or terminate the DSU Plan in whole or in part and may amend it in such respects as the Board deems appropriate, subject to applicable laws, regulations, rules, by-laws or policies of applicable stock exchanges and other regulatory authorities. However, no amendment, suspension or termination of the DSU Plan shall impair any of the rights or obligations under any DSU previously granted to a Participant without the consent of such Participant and such DSUs will remain outstanding and in effect in accordance with their applicable terms and conditions. In addition, no amendment can be made if it would cause any DSUs to be redeemed at a time earlier than as indicated above, or that would result in the DSU Plan failing to meet the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada).

#### *2020 Long Term Incentive Plan and Transition to 2021 Long Term Incentive Plan*

In September 2018, concurrent with his hiring, the CEO was granted 900,000 options at a price of \$3.48 per share from the date of his hiring, vesting 25% on each of the first, second, third and fourth anniversaries of their grant and expiring seven years from the grant date. In December 2018, the Board approved a long-term incentive plan for the CFO and the three Vice-Presidents under which each are eligible to receive annually an award having a value equal to 40% of their annual base salary for the year, comprised of 60% Options and 40% DSUs. In January 2019, 195,000 Options were granted to each of the CFO and the three Vice-Presidents in advance for the following five years of employment, vesting 25% on each of the first, second, third and fourth anniversaries of their grant and expiring seven years from the grant date. No Options were granted to any of the NEOs in 2020. DSUs granted to the NEOs in 2019 and 2020 vest 25% on each of the first, second, third and fourth anniversaries of the award date.

In January 2021, the Board approved (i) the cancellation of all options and related entitlements to the CEO, CFO and three VPs, with no further grants of options to be made to NEOs under the Option Plan; and (ii) a three year vesting period for DSUs granted in 2021 and future years (compared to a four year vesting period for DSUs granted prior to 2021).

At the January 2021 meeting the Board also approved the adoption of the PUP and the grant of Units to the NEOs for 2021. Units vest on the date that is three years following the applicable grant date (or earlier upon death or cessation of employment). Shareholder approval of the PUP is not required since the plan does not contemplate the issuance of any Common Shares or any other securities of the Corporation from treasury and the Units issued thereunder will all be settled in cash. The following is a summary of the PUP.

#### *PUP*

The PUP provides for grants of Units to Designated Employees. The purpose of the PUP is to provide Designated Employees with relatively long term compensation opportunities which (a) are aligned with the Corporation's strategic plan; (b) are compatible with shareholder interests; (c) are indicative of value creation and performance; and (d) will enhance the Corporation's ability, and the ability of subsidiaries of the Corporation, to attract and retain key personnel and reward longer term value creation and performance.

The PUP is administered by the Board, which has authority to delegate the administration and operation of the PUP to a committee of the Board. Under the PUP, the Board will determine or designate a method to determine which Designated Employees will be eligible to participate in the PUP and the terms and conditions of any Unit grant including, without limitation, the aggregate base value of Units to be granted in any particular year to each Designated Employee and the relevant metrics, weighting, target value, targets, multipliers and values to be earned on vesting.

Metrics may include earnings attributable to equity shareholders, cash flows from operating activities, total assets under management,

dividends declared, segment profitability and home and lot unit sales, with each metric weighted as a percentage (ranging from 5% to 35%) of the base value of the Units on the grant date. A range of targeted corporate performance will be established for each metric based on the corporation's anticipated targeted performance over the applicable three-year period. Multipliers ranging from a payout of zero to three times has been established for each target range, and dollar values assigned for each multiplier reflecting the value to be earned by the Participant upon the Corporation achieving the applicable metric within a specified target range.

The Corporation will establish an account for each Designated Employee that receives a grant of Units (each such grantee, a "**Participant**"), specifying Units that have not vested, have vested, and are cancelled following vesting and payment in accordance with the terms of the PUP.

Subject to earlier vesting upon death of a Participant or cessation of a Participant's employment other than resignation, unvested Units vest on the date that is three years following the applicable grant date. If a Participant resigns all unvested Units are cancelled.

In respect of any vesting date and the particular vested Units of a Participant, the Board shall assess the performance of the Corporation relative to the metrics and targets for each Participant and approve the applicable multiplier and corresponding dollar value payable to each Participant (which amount shall be pro-rated, in the case of death of a Participant or cessation of a Participant's employment (other than due to resignation), for the period from the grant date to the date of any such event).

Payment in respect of vested units shall be made within 120 days of the vesting date and, in all cases, such payment shall be made no later than December 31 of the third year following the year in which the Units were granted.

Vested Units will not represent any right other than the right to receive payment of any applicable earned value at vesting. Vested Units in respect of which payment has been made pursuant to the PUP are automatically cancelled immediately following the receipt by the Participant of such payment.

Each Unit is non-assignable and non-transferrable. The Board may, at any time or from time-to-time, suspend or terminate the PUP in whole or in part and may amend it in such respects as the Board deems appropriate, subject to applicable laws, regulations, rules, by-laws or policies of applicable stock exchanges and other regulatory authorities. However, no amendment, suspension or termination of the PUP shall impair any of the rights or obligations under any Unit previously granted to a Participant without the consent of such Participant and such Units will remain outstanding and in effect in accordance with their applicable terms and conditions.

#### *Pension, Retirement, Deferred Compensation and Actuarial Plans*

The Corporation matches any contribution made by an employee, including the NEOs, to Genesis' Group Registered Retirement Savings Plan up to an amount equivalent to 2% of the annual base salary (other than the CEO whose contribution is matched up to an amount equivalent to 4% of his annual base salary).

#### *Benefits*

Extended health care, dental and insurance benefits are provided to all employees, including the NEOs.

#### *Risk Management*

The Corporation's compensation plan is designed to discourage excessive risk taking, while at the same time recognizing that some level of risk is necessary to increase shareholder value. The Corporation has the following in place to manage risks relating to compensation:

- a) The Board approved strategic, annual operating plans and budgets are prepared with due consideration of operating and industry risk;
- b) Board policies which determine authorization levels for management and executives with respect to approving and executing contracts, banking authorizations and other material commitments;
- c) Internal controls include pre-determined authority limits and require two or more employees jointly to make material financial and operating decisions; and
- d) Compensation for all executives is balanced between base salary, short-term and long-term incentives based on corporate and individual performance as determined solely by the Board.

### Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth securities authorized by the Corporation for issuance under Equity Compensation Plans as at December 31, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	2,535,000	3.31	1,651,334
Equity compensation plans not approved by securityholders	-	-	-
Total	2,535,000	3.31	1,651,334

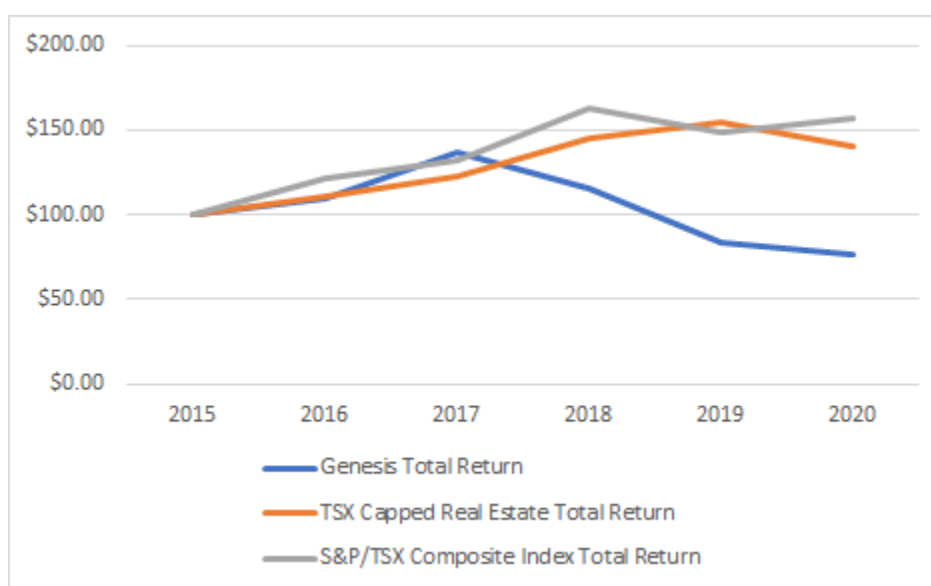
In January 2021, 1,680,000 Options granted to the NEOs were cancelled. The remaining 855,000 Options held by directors have a weighted average price of \$3.31 per share.

The DSU Plan is not a “security-based compensation arrangement” within the meaning of the TSX Company Manual as DSUs granted under the DSU Plan are to be settled in cash and DSUs are not included in the determination of the aggregate number of awards issuable under equity compensation plans. Other than the Option Plan, the Corporation does not have any security-based compensation arrangements in place.

### Performance Graph

The following graph compares the yearly percentage change in the cumulative shareholder total return over the last five years of the Shares (assuming a \$100 investment was made on December 31, 2014), and the cumulative total return of the S&P/TSX Composite Index Total Return and the TSX Capped Real Estate Total Return.

As at December 31, 2020	2015	2016	2017	2018	2019	2020
Genesis Total Return	\$100.00	\$109.52	\$136.63	\$115.75	\$83.15	\$76.56
TSX Capped Real Estate Total Return	\$100.00	\$110.75	\$123.18	\$145.44	\$155.11	\$140.26
S&P/TSX Composite Index Total Return	\$100.00	\$121.08	\$132.09	\$162.86	\$148.66	\$156.99



Shareholders total return was impacted from 2015 to 2020 by a number of factors, including the general state of the Alberta economy and the long-term nature of the land development business and, in 2020, restrictions related to Health regulations regarding COVID.

When the Governance and Compensation Committee and the Board determine overall compensation, they consider a number of factors and performance elements. Although total shareholder return is one performance measure that is reviewed and considered by the Governance and Compensation Committee and the Board, it is not the only consideration in executive compensation as market and economic factors outside of management's control impact shareholder return.

The Corporation's compensation plan is structured to incentivize the prudent realization of the long-term value of the Corporation's asset base and this may or may not be reflected in the share price in any one year.

## Summary Compensation Table

For each NEO in the financial year ended December 31, 2020, the following table provides information concerning their compensation for the financial years ended December 31, 2020, 2019, and 2018.

Name and Principal Position	Year	Salary or Management Fees (\$)	Share Based Awards (\$)	Option-Based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$) <sup>(3)</sup>	Total Compensation/ Fees (\$)
					Annual Incentive Plans <sup>(2)</sup>	Long-Term Incentive Plans			
Iain Stewart <sup>4)</sup> CEO	2020	305,250	Nil	Nil	200,000	135,961	Nil	31,432	672,643
	2019	300,000	Nil	Nil	158,500	120,000	Nil	27,145	605,645
	2018	191,792	Nil	891,360	42,300	Nil	Nil	5,064	1,130,516
Wayne King/ CFO	2020	159,990	Nil	Nil	60,000	28,503	Nil	10,265	258,758
	2019	157,238	Nil	186,069	47,500	25,157	Nil	9,699	425,663
	2018	154,534	Nil	Nil	54,000	31,607	Nil	10,702	250,843
Arnie Stefaniuk Vice- President, Land Development	2020	159,990	Nil	Nil	60,000	28,503	Nil	9,933	258,426
	2019	157,238	Nil	186,069	47,500	25,157	Nil	11,365	427,329
	2018	154,534	Nil	Nil	54,000	31,607	Nil	9,585	247,726
Parveshinder Sidhu President, Genesis Builders Group Inc. and Vice-President, Home Building	2020	159,990	Nil	Nil	60,000	28,503	Nil	9,742	258,235
	2019	157,238	Nil	186,069	47,500	25,157	Nil	8,365	424,329
	2018	154,534	Nil	Nil	54,000	31,607	Nil	11,963	252,104
Brian Whitwell Vice-President, Asset Management	2020	159,990	Nil	Nil	60,000	28,503	Nil	10,885	259,378
	2019	157,238	Nil	186,069	47,500	25,157	Nil	9,598	425,562
	2018	154,534	Nil	Nil	54,000	31,607	Nil	11,039	251,180

### Notes

- <sup>(1)</sup> The fair value of the Options is based on the Black Scholes model as calculated on the grant date, being September 20, 2018 and January 2, 2019. The parameters used for 2019 and 2018 were volatility of 25.6% and 28.1%, risk free interest rate of 2.25% and 2.30% respectively, term of 5.5 years and dividend rate of 0%. As of January 18, 2021, all options issued to NEOs have been cancelled.
- <sup>(2)</sup> These relate to cash bonus amounts earned and paid to the NEOs.
- <sup>(3)</sup> Benefits received by each of Messrs. King, Stefaniuk, Sidhu and Whitwell are benefits which are generally available to all employees and include RRSP contribution equal to 2% of annual base salary in 2018 and 2019. Perquisites and benefits received by Iain Stewart in his capacity as the CEO commencing on September 20, 2018 included benefits generally available to all employees, RRSP contribution equal to 4% of annual base salary and a health spending account of \$10,000 per annum.
- <sup>(4)</sup> Mr. Stewart's compensation for 2018 is as follows. Mr. Stewart served solely as a director of the Corporation until September 20, 2018, when he was appointed CEO. Mr. Stewart continued serving as a director of the Corporation after his appointment as CEO but ceased receiving director fees effective September 20, 2018. Mr. Stewart's received \$108,042 in his capacity as a director until September 20, 2018, \$83,750 as salary as the CEO from September 20, 2018 to December 31, 2018 and \$42,300 as a cash bonus. In addition, Mr. Stewart was granted 900,000 Options on September 20, 2018.

## Incentive Plan Awards

### Outstanding Share-Based and Option-Based Awards held by each NEO at December 31, 2020

The following table sets forth information in respect of Option and share based awards outstanding at the end of the financial year ended December 31, 2020. In January 2021, all 1,680,000 Options granted to the NEOs were cancelled.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options <sup>(1)</sup> (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or payout value of Share-Based Awards that have not Vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed (\$)
Iain Stewart <sup>(2)</sup>	900,000	3.48	Sep 20, 2025	Nil	Ni	Ni	Ni
Arnie Stefaniuk <sup>(3)</sup>	195,000	3.11	Jan 2, 2026	Nil	Ni	Ni	Ni
Parveshinder Sidhu <sup>(3)</sup>	195,000	3.11	Jan 2, 2026	Nil	Ni	Ni	Nil
Brian Whitwell <sup>(3)</sup>	195,000	3.11	Jan 2, 2026	Nil	Ni	Ni	Nil
Wayne King <sup>(3)</sup>	195,000	3.11	Jan 2, 2026	Nil	Ni	Ni	Nil

#### Notes

- <sup>(1)</sup> The value of the unexercised in-the-money vested, and unvested Options is calculated as the difference between the closing price of the Common Shares on the TSX on December 31, 2020, being \$2.09, and the applicable exercise price of the Options.
- <sup>(2)</sup> In 2018, the CEO received a grant of Options. Subsequent to year end, in January 2021 all Options granted to the CEO were cancelled
- <sup>(3)</sup> In 2019, the CFO and Vice-Presidents each received a grant of Options. Subsequent to year end, in January 2021 all Options granted to the CFO and Vice-Presidents were cancelled

### Incentive Plan Awards – Value Vested or Earned by each NEO during 2020

The following table shows the incentive plan awards value vested or earned for each NEO in 2020. The NEOs did not receive any share-based awards during 2020.

Name	Option-Based Awards – Value Vested During the Year <sup>(1)</sup> (\$)	Share-Based Awards – Value Vested During the Year <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year <sup>(3)</sup> (\$)
Iain Stewart	Nil	Nil	135,961
Arnie Stefaniuk	Nil	Nil	28,503
Parveshinder Sidhu	Nil	Nil	28,503
Brian Whitwell	Nil	Nil	28,503
Wayne King	Nil	Nil	28,503

#### Notes

- <sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the Options under the Option-based award had been exercised on vesting date based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the Options held. All Options previously awarded to NEOs were cancelled in January 2021.
- <sup>(2)</sup> No share-based awards were granted in 2020.
- <sup>(3)</sup> Represents the Long-Term Incentive Plan awards (see page 23 of this circular) and “Non-equity incentive plan compensation” shown in the “Summary Compensation Table” on page 29 of this circular.

## Significant Terms of Compensation Plan and Executive Employment Agreements

The following is a description of the significant terms of the Corporation’s executive employment agreements.

### Termination

Other than as set forth below, there is no contract, agreement, plan or arrangement between the Corporation and a NEO that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement.

## **Employment Agreements**

### *CEO*

Effective September 20, 2018, Mr. Stewart was employed as President and CEO of the Corporation and entered into an employment agreement with the Corporation. Mr. Stewart's base annual salary for 2020 was \$305,250 and he is entitled to benefits provided by the Corporation to its employees and which includes a health spending account. In addition, Mr. Stewart is eligible to receive an annual discretionary bonus ("**Annual Bonus**") with a target of 50% and a maximum of 70% of his current base salary, based on achieving individual and corporate targets as determined by the Board. Payment and amount of the Annual Bonus is at the sole discretion of the Board. Mr. Stewart is eligible to participate in the Corporation's annual Long-Term Incentive Plans (being the Option Plan and the DSU Plan) based on 100% of his base salary in the year.

If the Corporation terminates Mr. Stewart for any reason other than cause, the Corporation shall pay to Mr. Stewart an amount equal to a minimum of 12 months and a maximum of 18 months of his then current annual salary, calculated on the basis on one month per year of service ("**Months of Notice**"), payment of the Annual Bonus at target of 50% at the time of termination divided by 12 and multiplied by the Months of Notice, payment of the LTIP earned in prior years and deferred for payment and benefits up to the date of termination. Mr. Stewart would also be entitled: (a) in respect of any DSUs granted to him which are outstanding as of his date of termination, to receive a lump sum cash payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in his account and (ii) the fair market value of the Common Shares; and (b) in respect of any Options which have vested as of his date of termination, to exercise such Options on or before the earlier of their expiry date and his termination date (where he is given a reasonable notice period) or 21 days after his termination date (where he is paid compensation in lieu of reasonable notice). The estimated incremental payments and benefits which might be paid by the Corporation for Mr. Stewart, assuming a termination of employment without cause occurred on December 31, 2020 and he was employed at that time are set forth in the table below.

If the Corporation terminates Mr. Stewart for cause, the Corporation shall pay all salary and benefits earned by Mr. Stewart to the date of termination. No Annual Bonus or LTIP payments shall be made and any prior unvested LTIP grants shall be forfeited, other than payment for any DSUs granted to Mr. Stewart and outstanding as of his date of termination, as described above and the right to exercise any Options that have vested as of his date of termination on or before the earlier of their expiry date and 10 days after his termination date.

### *CFO and Vice-Presidents*

On July 1, 2018, the Corporation entered into an employment agreement, on identical terms except for the different dates of commencement of employment with the Corporation, with each of Wayne King, the CFO of the Corporation; Brian Whitwell, Vice-President, Asset Management; Arnie Stefaniuk, Vice-President, Land Development and Parveshinder Sidhu, Vice-President, Home Building (collectively, the "**Officers**").

The 2020 base annual salary for each Officer was set at \$159,950 each and each is entitled to participate in the standard benefits provided by the Corporation to its employees. Each Officer is entitled to receive an annual discretionary bonus with a target of 30% and a maximum of 40% of his base salary based on the attainment of individual and corporate targets as determined by the Board at its sole discretion. In addition, each Officer is entitled to participate in the Corporation's LTIP with a monetary value equal to 40% of the base salary in the year, comprised of 60% Options and 40% DSUs. Options will expire seven years from the date of grant of Options and will vest as to 25% on each of the first, second, third and fourth anniversaries. DSU's shall be awarded annually and credited as to 25% on each of the first, second, third and fourth anniversaries of the DSU award date.

If any Officer's employment is terminated for cause, the Corporation shall pay all salary and benefits earned by the Officer to the date of termination. No Annual Bonus or LTIP payments shall be made and any prior unvested LTIP grants shall be forfeited, other than payment for any DSUs granted to the Officer and outstanding as of his date of termination, as described above and the right to exercise any Options that have vested as of his date of termination on or before the earlier of their expiry date and 10 days after his termination date.

In the event the Corporation terminates the agreement for any reason other than cause, the Corporation shall pay to each Officer an amount equal to a minimum of 12 months and a maximum of 18 months of the then current annual salary, calculated on the basis on

one month per year of service, benefits up to the date of termination, payment of the Annual Bonus at 30% divided by 12 and multiplied by the Months of Notice, and payment of the all LTIP amounts earned in prior years and deferred for payment. The Officers would also be entitled: (a) in respect of any DSUs granted which are outstanding as of his date of termination, to receive a lump sum cash payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in his account and (ii) the fair market value of the Common Shares; (where he is given a reasonable notice period) or 21 days after his termination date (where he is paid compensation in lieu of reasonable notice).

The NEO employment agreements require them to sign a full and final release of the Corporation in order for them to receive termination payments and benefits.

The estimated incremental payments and benefits which might be paid by the Corporation for each NEO assuming a termination of employment without cause occurred on December 31, 2020 and he was employed at that time are set forth in the table below. This is based on a cash payment of their base salary and the target bonus and assuming a cash payment in lieu of continued benefit coverage, no accrued and unpaid vacation pay, no deferred amounts payable under the DSU plan, no acceleration of the vesting of all outstanding Options held by the NEOs, and that a termination of employment without cause occurred on December 31, 2020.

<b>Name and Principal Position- to update</b>	<b>Base salary and target bonus (\$)</b>	<b>Benefits (\$)</b>	<b>Total (\$)</b>
<b>Iain Stewart</b> , President and CEO	457,875	6,387	464,262
<b>Wayne King</b> , CFO	207,985	6,387	214,372
<b>Parveshinder Sidhu</b> , Vice-President, Home Building	247,922	7,984	255,906
<b>Arnie Stefaniuk</b> , Vice-President, Land Development	247,922	7,984	255,906
<b>Brian Whitwell</b> , Vice-President, Asset Management	207,985	6,387	214,372

The employment agreements also contain standard non-solicitation, confidentiality and non-competition provisions. The NEOs have agreed that during their employment and for a period of twelve months following termination of the employment agreement, they are not to (i) canvass or solicit the business which is competitive with the Corporation's business; (ii) reproduce confidential information without the Board's prior consent; and (iii) be employed or have a financial interest in a business within the Calgary Metropolitan Region that directly competed with the Corporation's business.

## **PART V – OTHER INFORMATION**

### **Legal Proceedings**

A settlement has been reached on a statement of claim filed in 2016 by two former employees against the Corporation and a director. The claim alleged wrongful termination of their employment.

The Corporation is a co-defendant in a statement of claim initiated by limited partners of LPLP 2007 and its affiliated RRSP limited partnerships. The statement of claim is brought as a class action but has not yet been certified as such and is seeking damages of at least \$16.5 million. Any potential liability to the Corporation and/or to LPLP 2007 is indeterminate, and no provision has been made. The Corporation's view is that this action is without merit and is actively contesting it. The Corporation and the limited partners have each applied for summary judgement and the Corporation is contesting the certification of this matter as a class proceeding.

### **Indebtedness to the Corporation**

As at the date hereof, none of the Corporation's current or former directors, officers, or employees of the Corporation or its subsidiaries, or any associate or affiliate of the foregoing, have been indebted to the Corporation at any time since the beginning of the most recently completed financial year of the Corporation. None of the persons described in the preceding sentence were at any time since the beginning of the most recently completed financial year of the Corporation indebted to another entity to which the indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.



For the purposes of the above, “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 set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, of any “informed person” of the Corporation, any proposed director of the Corporation or any associate or affiliate of any “informed person” or proposed director, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the above, “informed person” means: (a) a director or officer of the Corporation; (b) a director or officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

### Dividends

A cash dividend of \$6,280,000 (\$0.15 per share) was declared in 2020 and paid in January 2021.

Since 2014, when it paid its first dividend, Genesis has returned over \$58.1 million to shareholders by way of dividends as follows:

Cash Dividends	Dividend per share	Total dividends paid (\$000s)
2020 (paid January 2021)	0.15	6,280
2019	-	-
2018	0.24	10,309
2017	0.46	19,896
2016	0.25	10,936
2015	0.12	5,331
2014	0.12	5,386
<b>Total</b>	<b>1.34</b>	<b>58,138</b>

### Normal Course Issuer Bid

On October 8, 2020, the Corporation announced the renewal of its NCIB. The renewed NCIB commenced on October 13, 2020 and will terminate on the earlier of: (i) October 12, 2021; and (ii) the date on which the maximum number of common shares are purchased pursuant to the bid. A copy of the notice of intention to make the normal course issuer bid that was submitted by the Corporation to the TSX may be obtained without charge from the Corporation’s office. The Corporation may purchase for cancellation up to 2,098,885 Common Shares under the renewed NCIB.

The prior NCIB, which expired on October 2020, allowed the Corporation to purchase for cancellation up to 2,109,016 Common Shares.

The following table sets forth the total number of Common Shares repurchased and cancelled pursuant to its NCIB program from its initiation date of September 10, 2015 to December 31, 2020.

	Number of shares repurchased and cancelled	Average purchase price per share	Cost of Repurchases (\$000s)
2020	296,592	1.58	465
2019	23,694	2.41	58

	Number of shares repurchased and cancelled	Average purchase price per share	Cost of Repurchases (\$000s)
2018	1,069,100	3.27	3,501
2017	493,085	2.95	1,456
2016	551,796	2.95	1,420
2015	628,598	2.81	1,887
<b>Total</b>	<b>3,062,865</b>	<b>2.87</b>	<b>8,787</b>

## Conflict of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are directors and/or officers of other private and public companies and are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations. Situations may arise where such directors and officers will be in competition with the Corporation because of business transactions or banking relationships. Any such conflicts shall be resolved in accordance with the procedures and requirements of the relevant provisions of the ABCA, including the duty of such directors to act honestly and in good faith with a view to the best interests of the Corporation and internal policies of the Corporation and in accordance with best practices in governance adopted by the Board.

## Risk Oversight

The Board is responsible for managing principal risks of the Corporation and ensures there are systems in place to effectively monitor and manage those risks. The Corporation has developed the Code of Conduct and Ethics Policy, which is reviewed and signed by all employees, directors and officers of the Corporation to confirm compliance. The Board reviews and approves strategic, annual operating plans and budgets which are prepared with due consideration of operating and industry risk. There is a timely reporting and review process to the Board in place. In addition there are strong financial and signing authority controls, which are monitored regularly by the Corporation's internal auditor. Further information can be found in the risk sections of the Management Discussion & Analysis and the Annual Information Form for December 31, 2020, which can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation website at [www.genesisland.com](http://www.genesisland.com).

In the normal course of business, Genesis is exposed to certain risks and uncertainties inherent in the real estate development and home building industries. Real estate development and home building are cyclical businesses. As a result, Genesis profitability could be adversely affected by external factors beyond the control of management. Risks and uncertainties faced by Genesis vary from time to time and include industry risk, competition, supply and demand, geographic risk, development and construction costs, credit and liquidity risks, finance risk, interest risk, management risk, mortgage rates and financing risk, general uninsured losses, cyber-security and business continuity risk, environmental risk, changes in government regulations and delays in obtaining permits or government approvals. The Board ensures that processes are in place for monitoring and mitigating of all risks identified and evaluated by management by regularly undertaking a strategic and operational planning exercise of its current and future land development and home building projects and having an experienced management team. Included in the budget process are detailed capital budgets which include reviewing all financing undertaken to support any new development. A key oversight and control for capital development and financing is the preparation of a detailed development plan for each new phase that is reviewed and approved by the Board prior to being undertaken. In addition, Genesis regularly monitors market conditions that may adversely affect projects that are already underway and finds means to increase efficiencies, reduce the capital invested in work in progress to reduce the risk of the business, and change the product mix with the of goal reducing costs wherever possible. Genesis secures long-term commitments for supply of materials and obtains fixed pricing for labor costs depending on market conditions and whenever beneficial.

## Hedging

The Corporation does not hedge and therefore does not have any policies which restrict its NEOs and directors from purchasing financial instruments including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by any NEO or director.

## Interest of Certain Persons or Companies in Matters to Be Acted Upon

Other than disclosed herein, no person who has been a director or officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

## Statement of Corporate Governance Practices

The Board believes that adopting and upholding the highest standards of corporate governance is critical for the overall success of the Corporation and to build stakeholder confidence. Sound corporate governance ensures the transparency and accountability in respect of the Corporation's objectives, strategies, controls, and overall performance. The Governance and Compensation Committee and Board continuously monitor applicable legislation and respond appropriately to ensure the Corporation's compliance.

The Corporation also has a Code of Conduct and Ethics Policy applicable to all officers, directors, and employees. A copy of the Code of Conduct and Ethics Policy can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## Canadian Corporate Governance Requirements

A description of the Corporation's corporate governance disclosures, as required by National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set forth in Schedule "A" to this Circular.

## PART VI – ADDITIONAL INFORMATION

### Availability of Information

Additional information relating to Genesis can be found on the Corporation's website at [www.genesisland.com](http://www.genesisland.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating to Genesis is provided in the Corporation's audited consolidated financial statements and Management's Discussion and Analysis ("MD&A") for its most recently completed financial year.

Copies of this Circular, as well as the Corporation's latest Annual Information Form, audited consolidated financial statements and MD&A for the year ended December 31, 2020 may be obtained without charge to the shareholder upon request to the Corporation at:

Genesis Land Development Corp.  
c/o Investor Relations  
6240, 333 – 96 Ave. NE  
Calgary, Alberta, Canada  
T3K 0S3  
(403) 265-8079

## **Communicating with the Board**

Shareholders and other interested parties who wish to communicate with the Board of directors may send their correspondence to:

Genesis Land Development Corp.  
Board of Directors  
c/o Chair of the Board or the Lead Director  
6240, 333 – 96 Ave. NE  
Calgary, Alberta, Canada  
T3K 0S3

Communications may be addressed to the entire Board, to a committee of the Board or to an individual director. The Corporation will conduct a preliminary review of shareholder communications and decide the timing and appropriate process for providing such communications to the Board, committee, or individual director to whom the communication was addressed.

## SCHEDULE “A”

### CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 Disclosure of Corporate Governance Practices, the Corporation is required to include in this Circular the disclosure required by Form 58-101F1 Corporate Governance Disclosure with respect to the matters set out under National Policy 58-201 Corporate Governance Guidelines. Copies of the corporate governance policies of the Corporation may be found on the Corporation’s website at [www.genesisland.com](http://www.genesisland.com). The Board strongly believes in sound corporate governance and has adopted comprehensive corporate governance policies and procedures. The Corporation's key policies are summarized herein below.

The Corporation is considered to be a controlled corporation with Smoothwater Capital Corporation (“**Smoothwater**”) being the controlling shareholder. Stephen J. Griggs, Chair of the Board and Chair of the Governance and Compensation Committee is also the CEO of Smoothwater and therefore a related director. Since the Chair is currently a related director, the Board has appointed Steven Glover as the Lead Director and Iain Stewart was appointed as CEO of the Corporation. Mr. Stewart and Mr. Glover are independent of Smoothwater and independent within the meaning of NI 52-110. Under the position description of the Lead Director, Mr. Glover is empowered to strike independent committees as and when required in order to address matters where a conflict of interest involving Smoothwater may exist.

On May 13, 2020, (made effective July 1) the Board reviewed and revised the Corporation’s governance documents to achieve clarity and be consistent with best practices in governance. The Board makes all appointments to Board committees.

The Board has adopted a policy on engagement with shareholders to provide equal and appropriate access to company information to all shareholders, having regard to the applicable corporate and securities laws including disclosure of non-public material information. The objective of this policy is to enable the Board to actively engage with shareholders, provide a forum for discussion, keep shareholders informed, obtain their valuable feedback, know their priorities and address any concerns expressed. The Board believes that such communication will result in a strong and a trusting relationship between all shareholders and the Corporation.

### Board of Directors

#### *Directors’ Relationship to the Corporation*

A majority of the directors of the Corporation are considered independent under NI 52-110 and are independent of management.

Directors’ Relationships to the Corporation				
Director	Independent	Not Independent	Reason for Non-Independent Status	Director of Other Reporting Issuers
Stephen J. Griggs		✓	Interim CEO from February 17, 2016 and CEO from May 11, 2017 to September 20, 2018 and Chair from September 20, 2018 and therefore not currently independent.	N/A
Steven Glover	✓			N/A
Mark W. Mitchell	✓			N/A
Loudon Owen	✓			N/A
Iain Stewart		✓	CEO from September 20, 2018.	N/A

The number of Board and committee meetings in 2020 and from January 1, 2020 to March 5, 2021, and the attendance of individual directors were as follows:

<b>Director</b>	<b>Board Chair: Stephen J. Griggs</b>	<b>Audit <sup>(1)</sup> Chair: Steven Glover</b>	<b>Governance and Compensation <sup>(2)</sup> Chair: Stephen J. Griggs</b>
Stephen J. Griggs	10/10	n/a	7/7
Steven Glover	10/10	6/6	7/7
Mark W. Mitchell	10/10	6/6	7/7
Loudon Owen	6/10	5/6	4/7
Iain Stewart	10/10	n/a	n/a

**Notes**

<sup>(1)</sup> The Audit Committee is composed of Steven Glover (Chair), Mark W. Mitchell and Loudon Owen.

<sup>(2)</sup> The Governance and Compensation Committee is comprised of Stephen J. Griggs (Chair), Loudon Owen, Steven Glover and Mark W. Mitchell.

During 2020, management was invited to attend regularly scheduled Board meetings. In 2020, there were two in camera sessions held by independent directors, both without the CEO and without the Chair. The Board facilitates open and candid discussion among its directors and can meet by themselves without management whenever they wish to do so. While the Board relies heavily on information provided to it by management, it functions independently of management. The directors are in regular communication with the Corporation’s CEO, CFO, Vice-Presidents and managers outside of formal Board meetings and processes.

The Board has the responsibility for oversight of strategic development and approval of strategic directions.

Members of the Audit Committee also meet in camera with the Corporation’s auditors. These meetings are independent of management for the purposes of planning the auditors’ activities and thereafter to supervise such activities. The other purposes of these meetings to ensure that: the auditors receive full access to all requested information and receive full cooperation of management; that they are not subject to any pressure from management; there are no outstanding disagreements with management; that they are not aware of any evidence of illegal or fraudulent acts; and that they are not aware of any other significant matters that should be brought to the attention of the directors.

Governance matters are discussed by all directors as and when required.

**Director Terms**

The Corporation does not have formalized terms limits in place for its directors and there is no mandatory retirement age in respect of a director’s service on the Board. Genesis may consider adoption of term or age limits for its directors in the future.

**Board Mandate**

The Board has assumed the stewardship of the Corporation. On May 13, 2020, the Board reviewed, adopted and restated the Mandate of the Board, the text of which is attached hereto as Schedule “B”. Any responsibility that is not specifically delegated to a Board committee remains with the full Board.

## **Position Descriptions**

### ***Position Description of Lead Director***

The Lead Director leads the Board in situations where there is a conflict or a potential conflict with the Chair, provides leadership and independence to the Board, and work closely with the Chair. This role is reflected in the Board Mandate attached to this Circular as Schedule "B".

### ***Chair of the Board***

The Chair presides as chair at all meetings of directors and at all meetings of the shareholders. This role is reflected in the Board Mandate attached to this Circular as Schedule "B".

### ***Board Committees***

Currently, the Board has two standing committees of the Board: The Audit Committee and the Governance and Compensation Committee. The Board has outlined the duties, the role and responsibilities each of these committees in their respective mandates, as well as for the chair of each committee.

## **Director Orientation and Continuing Education**

The Corporation has developed an orientation program for new directors which provides each new director with a Directors Manual containing information regarding the roles and responsibilities of the Board and each committee of the Board, as well as information regarding the nature and operation of the Corporation's business, its organizational structure and governance policies.

The Corporation facilitates the education of directors through memberships in the Institute of Corporate Directors and contributing up to \$2,000 per year to the costs of relevant courses and programs. As well, directors are encouraged to visit the Corporation's offices, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Corporation. Board members have full access to the Corporation's relevant records and are encouraged to conduct field tours to the Corporation's various properties, land holdings show homes and construction sites. Board members are made aware of their responsibility to keep themselves up to date on major developments in corporate governance and regulatory requirements.

## **Ethical Business Conduct**

In December 2020, the Board of the Corporation reviewed, restated and confirmed the Code of Conduct and Ethics Policy (the "Code") for the Corporation's directors, officers and employees. The Code addresses honesty and integrity, conflicts of interest and provides a complaints procedure. The Governance and Compensation Committee reviews the Code at least biennially. The Code is distributed to directors in the Directors Manual and to officers and employees at the commencement of their employment. The Code is also posted on the Corporation's internal website and is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Code reminds those engaged in service to the Corporation that they are required to report perceived or actual violations of the law, violations of the Corporation's policies, dangers to health, safety and the environment, risks to the Corporation's property, and accounting or auditing irregularities to the chair of the Audit Committee, who is an independent director of the Corporation. In addition to requiring directors, officers and employees to abide by the Code, the Corporation encourages consultants, service providers and all parties who engage in business with the Corporation to contact the chair of the Audit Committee of the Corporation regarding any perceived and all actual breaches by the Corporation's directors, officers and employees of the Code.

The chair of the Audit Committee of the Corporation is responsible for investigating complaints, presenting complaints to the applicable Board committee or the Board as a whole, and developing a plan for promptly and fairly resolving complaints. Upon conclusion of the investigation and resolution of a complaint, the chair of the Audit Committee of the Corporation will advise the complainant of the corrective action measures that have been taken or advise the complainant that the complaint has not been substantiated. The Code prohibits retaliation by the Corporation, its directors and management, against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practical. Complainants may also submit their concerns anonymously in writing.

In addition to the Code, the Corporation has an Audit Committee Mandate and a Whistleblower Policy with respect to accounting and auditing irregularities. Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or officer that constitutes a departure from the Code.

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required by the Board Mandate to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Corporation. The Board is responsible for reviewing departures from the Code, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law.

In addition, the Board is responsible for responding to potential conflict of interest situations, particularly with respect to considering existing or proposed transactions and agreements in respect of which directors or officers advise they have a material interest. The Board Mandate requires that directors and officers disclose any interest and the extent of their interest in any transaction or agreement with the Corporation, and that directors excuse themselves from both Board deliberations and voting in respect of transactions in which they have an interest. By taking these steps, the Board strives to ensure that directors exercise independent judgement, unclouded by the relationships of the directors and officers to each other and the Corporation, in considering transactions and agreements in respect of which directors and officers have an interest. Any director, officer or employee of the Corporation who violates the Code may face disciplinary action up to and including termination of their office or employment with the Corporation for just cause without notice or payment in lieu of notice.

## **Compensation**

The Corporation has a Governance and Compensation Committee that recommends to the Board the compensation to be received by the Corporation's directors and executive officers. Compensation is based on the underlying philosophy that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contributions of the individuals involved and overall performance of the Corporation. With respect to directors' compensation, the Governance and Compensation Committee reviews the level and form of compensation received by the directors, members of each committee, the Board Chair, the Lead Director and the chair of each Board committee, considering the duties and responsibilities of each director, his or her past service and continuing duties in service to the Corporation. The compensation of directors and officers of competitors is considered to the extent publicly available in determining compensation and the Governance and Compensation Committee has the power to engage a compensation consultant or advisor to assist in determining appropriate compensation.

## **Nomination of Directors and Major Voting Policy**

Please see *Election of Directors - Nomination Process* (see page 6) and *Majority Voting Policy* (see page 8).



## **Audit Committee**

Under NI 52-110 the Corporation is required to include in its annual information form (“AIF”) the disclosure required under Form 52-110F1 *Audit Committee Information Required in an AIF* with respect to its Audit Committee, including the text of its Charter, the composition of the Audit Committee and the fees paid to the external auditor and to include in the Circular a cross-reference to the sections in the AIF that contain the required information. The Corporation’s disclosure with respect to the foregoing is contained in Appendix “A” *Information Concerning Audit Committee* of the Corporation’s AIF dated March 1, 2021.

## **Other Board Committees**

In addition to those described above, the Corporation has a Disclosure Committee as follows.

### **Disclosure Committee**

The Board reviewed and restated its disclosure policy in May 2020 (effective July 1, 2020), which requires that the CEO establish a Disclosure Committee of the Corporation (the “**Disclosure Committee**”). The Disclosure Committee is currently comprised of Stephen J. Griggs, director and Chair, the CEO, the CFO and the Controller of the Corporation. Other senior management are invited to participate as and when their contribution is required or determined appropriate by the CEO. The function of the Disclosure Committee is to ensure that the written and oral communications by the Corporation to the public and to applicable regulatory authorities are disseminated in a timely and factually accurate manner and to assist the Corporation in maintaining and complying with its disclosure requirements.

## **Diversity**

The Board recognizes the importance of diversity as a component in ensuring that members of the Board as a whole possess the qualities, attributes, experience and skills required to effectively oversee the strategic direction and management of the Corporation.

The Board believes that diversity includes different skills, industry experience, professional experience and other qualities, as well as gender, race or ethnicity, sexual identity/orientation, age and cultural background. These factors, along with others, like independence and representation of large shareholders, are important for Genesis and are considered and appropriately balanced by the Board when determining membership on the Board and its committees.

The Board reviewed and restated its policy on diversity in May 2020 (effective July 1, 2020). The policy provides that the Governance and Compensation Committee, which is responsible for recommending director nominees to the Board, in reviewing the Board’s composition and identifying suitable candidates, will take into consideration the following factors:

- a) the Board's current and long-term composition;
- b) the size of the Board;
- c) the particular competencies and skills required by the Board and its committees at that time; and
- d) the benefits of diversity in order to maintain an optimum mix of skills, knowledge, industry experience and background keeping in mind at all times, the Board’s objective to maintain an appropriate balance of merit, diversity, attributes and skills of membership of the Board and its committees.

## **SCHEDULE “B”**

### **MANDATE OF THE BOARD**

#### **GENERAL RESPONSIBILITIES**

The Board is responsible for:

- a) supervising the management of the business and affairs of the Corporation;
- b) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making;
- c) acting honestly and in good faith with a view to the best interests of the Corporation;
- d) exercising the care, diligence and skill that a reasonably prudent board would exercise in comparable circumstances;
- e) directing management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met;
- f) ensuring that the Board deals effectively and impartially with any matter in which a director may have a conflict of interest;
- g) meeting in person, or by telephone conference call, at least once each quarter or as otherwise required to discharge the duties of the Board; and
- h) holding regular in camera meetings of the independent directors, as appropriate.

Each director is expected to attend each meeting of the Board and of any Board committee he or she is a member of, and to have reviewed the meeting materials in advance.

#### **AUDIT, FINANCE AND RISK RESPONSIBILITIES**

The Board shall:

- a) adopt a process to identify business risks and ensure appropriate systems to manage risks;
- b) ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation’s disclosure controls and procedures, internal controls over financial reporting and management information systems;
- c) recommend the appointment of the Corporation’s external auditors for approval by the shareholders; and
- d) review and approve prior to their public dissemination:
  - i. interim and annual financial statements;
  - ii. interim and annual management’s discussion and analysis;
  - iii. the annual information form;
  - iv. the annual report (if applicable);
  - v. any forecasted financial information and forward-looking statements; and
  - vi. all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed.

#### **STRATEGY AND CAPITAL ALLOCATION RESPONSIBILITIES**

The Board shall:

- a) adopt a strategic planning process for maximizing shareholder value, annually approve the strategic plan, and monitor the Corporation’s performance against its strategic plan;
- b) approve annual capital and operating budgets to implement the strategic plan; and
- c) approve share buybacks, dividends and any other distributions to shareholders and limited partners.

#### **GOVERNANCE OVERSIGHT RESPONSIBILITIES**

The Board is responsible for:

- a) taking reasonable steps, including regular assessments, to satisfy itself that each director, the CEO, and the executive officers are performing their duties ethically and with integrity and conducting business on behalf of the Corporation in accordance with the requirements and the spirit of these governance policies;
- b) fostering a culture of integrity throughout the Corporation;
- c) succession planning including appointing, training and monitoring senior management, including the appointment and termination of the CEO;
- d) developing a comprehensive orientation program for each new director;
- e) approving the management information circular for each meeting of the shareholders of the Corporation;
- f) approving and overseeing the implementation (including monitoring compliance where appropriate) of:
  - a. the Code of Business Conduct and Ethics;
  - b. the Whistle Blower Policy;
  - c. the Disclosure Policy;
  - d. the Majority Voting Policy;
  - e. the Shareholder Engagement Policy; and
- g) reviewing any material departure in practice from these governance policies and providing or denying waivers from them as appropriate in the circumstances.

#### **DELEGATION OF AUTHORITIES BY THE BOARD**

The Board may from time to time delegate authority for approval and/or execution of certain matters to committees of the Board and to management as it determines appropriate.

#### **1. DIRECTORS**

##### **DIRECTOR INDEPENDENCE/LEAD DIRECTOR**

National Policy 58-201 Corporate Governance Guidelines provides that a majority of the Board shall at all times be “independent directors”. The tests of independence are set out in section 1.4 of National Instrument 52-110 Audit Committees.

In addition, all members of the Audit Committee must also meet the additional independence tests for audit committee members set out in section 1.5 of National Instrument 52-110 Audit Committees.

If, in the opinion of the Board, the Chair of the Board has a material relationship with the corporation which could be reasonably expected to interfere with the exercise of the director’s independent judgement on certain matters that come before the Board, the Board will appoint a “Lead Director”. The Lead Director’s role would be primarily to monitor and appropriately lead the Board on any matter coming before the Board for which the Board has determined that the Chair has a direct or indirect material relationship which could be reasonably expected to interfere with the exercise of the Chair’s independent judgement in dealing with that matter. The Lead Director would also work with the Chair to ensure the Board functions effectively and may consult or meet with directors without the Chair and represent such directors, where appropriate, in discussions with the Chair, large shareholders or management.

##### **BOARD SKILLS MATRIX**

The Board has established the following skills matrix and evaluates director nominees against this matrix:

Management skills and/or experience  
 Executive leadership  
 Human resources  
 Legal and corporate governance  
 Financially literate/corporate finance  
 Capital allocation/acquisitions/dispositions  
 Risk management

Industry skills and/or experience  
 Land development and urban planning  
 Home building  
 Real estate sales and marketing

## **BOARD DIVERSITY**

Diversity includes different skills, industry experience, professional experience and other qualities, as well as gender, race or ethnicity, sexual identity/orientation, age and cultural background. These factors, along with others, such as independence from, and representation of, large shareholders, are important for Genesis and are considered and appropriately balanced by the Board when determining membership on the Board and its committees.

The Board may from time to time consider setting aspirational or measurable objectives for achieving greater diversity on the Board and measure progress accordingly.

In reviewing the Board's composition and identifying suitable candidates, the Governance and Compensation Committee and the Board shall consider the elements of diversity identified in this policy and best governance practices generally.

## **BOARD CHAIR**

The Board will annually select a member of the Board to serve as a Chair of the Board (the "**Board Chair**"). The Board Chair shall:

- a) provide leadership to the Board, the Board Committees, individual directors and the CEO to assist them to effectively carry out their duties and responsibilities;
- b) set the "tone" for the Board and its members to foster ethical and responsible decision-making, appropriate oversight of management and appropriate corporate governance practices;
- c) oversee all aspects of Board direction and administration, ensuring that the Board works as a cohesive team and builds a healthy governance culture and practices;
- d) be the primary contact between and on behalf of the Board and management;
- e) serve as the authorized spokesperson for and on behalf of the Board, and as one of the authorized spokespersons for and on behalf of the Corporation's in accordance with the Corporation's Disclosure Policy;
- f) working with the Governance and Compensation Committee and, in consultation with major shareholders, recruit and retain directors with appropriate attention to skills, experience and diversity as identified by the Board;
- g) working with the Governance and Compensation Committee, conduct the biennial evaluation of performance and effectiveness of the Board and individual directors; and
- h) establish appropriate communication processes with management to be kept abreast of and provide insight into the business matters identified above.

## **LEAD DIRECTOR**

A Lead Director may be appointed by the Board from time to time and generally will be appointed if the Chair of the Board is not an independent director.

The Lead Director is expected to:

1. together with the Board Chair, provide leadership to ensure that the Board functions effectively, impartially and independently of management;
2. monitor circumstances where there may be a conflict of interest between the Corporation and a large shareholder; and
3. consult or meet with independent directors, with or without the attendance of the non-independent Board Chair and represent such directors, where necessary, in discussions with the Board Chair, large shareholders, or management.

## **DIRECTOR SHARE OWNERSHIP REQUIREMENT**

Each director of the Corporation is required to hold a number of Common Shares of the Corporation with a cost to the director equivalent to three times the annual director base retainer calculated at the time of purchase. Each director shall continue to hold

such minimum investment in the Corporation so long as the director continues on the Board. Each director of the Corporation shall have a period of three years from the date of his or her appointment in which to be in compliance with this policy.

A director may hold the shares directly or indirectly or through a corporation. A director who is also a director or officer of a corporation that holds the number of Common Shares of the Corporation equivalent to the value set out above shall be considered to be in compliance with this policy.

In the event that a director does not comply with the requirements of this policy, the Chair of the Board shall provide written notice to the director providing 30 days (or such longer period agreed by the Board in its sole discretion) to cure such non-compliance. If such non-compliance is not cured within such cure period, the director is expected to tender his or her resignation as a director, which the Board will accept absent highly unusual circumstances for which the Corporation would be seriously harmed by the resignation and/or may take whatever action it deems appropriate in its sole discretion.

## **BOARD EDUCATION**

The Corporation shall pay the cost of annual membership of the Institute of Corporate Directors and relevant professional membership dues for all directors.

The Corporation shall contribute a maximum sum (registration fee or travel and accommodation costs) of \$2,000 per director, per annum, towards any relevant education or conference for a director provided it is pre-approved by the Board Chair (or in the case of a course taken by the Board Chair, approved by the CEO).

## **BOARD TRAVEL EXPENSES**

Reasonable costs (e.g. airfare, parking, ground transportation, accommodating, meals, and tips) incurred by a director for approved education and/or business-related travel will be reimbursed. Hosted guests for meals, entertainment or hospitality are to be identified with the expense claim along with the business connection. Travel by automobile will be reimbursed at the rate per kilometer established by the Canada Revenue Agency from time to time. Travel by air will be reimbursed for economy fares only.

## **2. BOARD COMMITTEES**

The Board will:

- a) establish such committees of the Board ("**Committees**") as are required by applicable law or as are necessary to effectively discharge the duties of the Board and any applicable special committees;
- b) appoint directors to serve as members of each Committee. A majority of the members of each Committee will be independent directors and each member of the Audit Committee shall also be independent and financially literate as those terms are defined in National Instrument 52-110 *Audit Committees*; and
- c) appoint a chair of each Committee to:
  - i. provide leadership to the Committee;
  - ii. manage the affairs of the Committee; and
  - iii. ensure the Committee functions effectively and impartially in fulfilling its duties to the Board and the Corporation; and
  - iv. prepare reports and recommendations of the Committees to the Board.

## **COMMITTEE COMMUNICATION, AUTHORITY TO ENGAGE ADVISORS AND EXPENSES**

Each Committee shall have access to such officers and employees of the Corporation and to such information respecting the Corporation as its members consider necessary or advisable in order to perform its duties and responsibilities.

The Board and each Committee shall have the authority to engage independent counsel and other advisors, acting reasonably, as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors. Any such engagement of independent counsel or other advisors is to be at the Corporation's expense.

The Corporation shall be responsible for all expenses of the Committees that are deemed necessary or appropriate by the Committees in carrying out their duties.

### **COMMITTEE OPERATIONS, MEETINGS AND RECORD KEEPING**

Meetings of Committees shall be conducted as follows:

- a) each Committee shall meet as necessary (provided that the Board Audit Committee shall meet at least once quarterly) and at such times and at such locations as the Chair of the Committee shall determine;
- b) a resolution in writing signed by all of the members of a Committee is as valid as if it had been passed at a meeting of the Committee;
- c) the Committee Chair shall preside as chair at each Committee meeting and lead discussion on meeting agenda items;
- d) the quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;
- e) if the Chair of a Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting;
- f) the Committee Chair shall, in consultation with management and Committee members, establish the agenda for the meetings and work with management, and if applicable, auditors, independent counsel or other advisors so that complete and appropriate agenda materials are circulated to the Committee with sufficient time for study prior to the meeting;
- g) 48 hours' notice is required for meetings, unless Committee members unanimously waive the notice period;
- h) every question at a Committee meeting shall be decided by a majority of the votes cast, with each Committee member entitled to one vote;
- i) the Chief Executive Officer, the Chief Financial Officer and all other Officers shall be available to advise each Committee as requested by the Committee Chair or members. The Chair of each Committee shall determine whether notice of a Committee meeting is sent to which Officers and what portions of each meeting are attended by these Officers. Other management representatives may be invited to attend as necessary;
- j) a person selected by the Committee, shall be appointed at each meeting to act as secretary for the purpose of recording the minutes of each meeting; and
- k) each Committee shall provide the Board with a summary of all of its meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities (if any) of the Committee.

### **3. CHIEF EXECUTIVE OFFICER**

The Board shall:

- a) establish the role and mandate of the CEO;
- b) establish the annual goals and objectives of the CEO;
- c) annually evaluate the CEO's performance; and
- d) determine the CEO's annual salary, annual bonus and long-term compensation awards.

### **4. BOARD COMPENSATION**

The Board shall determine its annual compensation for acting as board members, Chair of the Board, Lead Director, committee member, committee chair and for all other activities of the directors on behalf of the Corporation.

This mandate was reviewed, restated and approved by the Board of the Corporation on May 13, 2020.

## APPENDIX “1”

### SUMMARY OF THE OPTION PLAN

The following is a summary of the Option Plan.

The Option Plan provides for grants of options (each, an “**Option**”) to purchase Common Shares (each, an “**Option Share**”) to certain eligible persons (each, a “**Participant**”, defined under the Option Plan to be a person who is either regularly employed by, an officer or director of, or a consultant to, the Corporation or one of its subsidiaries, or a corporation which is wholly owned by any of the foregoing persons). The purpose of the Option Plan is to develop the interest of Participants who have been granted Options by the Corporation (each, an “**Optionee**”) in the growth and development of the Corporation by providing them with the incentive and opportunity to acquire an increased proprietary interest in the Corporation and to better enable the Corporation and its subsidiaries to attract and retain persons of desired experience and ability. To avoid the long-term impacts of dividends on the value of Options and ensure Options continue to enable the Corporation to attract and retain qualified directors, in respect of dividends paid on Common Shares the Corporation issues to directors with outstanding Options DSUs with an value equivalent to the dividends that would have been received in respect of the Common Shares had the Options been exercised.

The maximum number of Common Shares reserved for issuance, in the aggregate, under the Option Plan and all other security-based compensation arrangements of the Corporation cannot exceed ten (10%) percent of the issued and outstanding Common Shares. In addition: (a) the aggregate number of Common Shares issued under the Option Plan and under any other security-based compensation arrangement of the Corporation to insiders of the Corporation (within the meaning ascribed to the term “insiders” in the Securities Act (Alberta)) within any one year period, cannot exceed ten (10%) percent of the issued and outstanding Common Shares; and (b) the aggregate number of Common Shares issued under the Option Plan and under any other security-based compensation arrangement of the Corporation to insiders cannot exceed ten (10%) percent of the issued and outstanding Common Shares. The Option Plan does not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the Option Plan and any other security-based compensation arrangement (expressed as a percentage or otherwise).

The Option Plan is administered by the Board, which has authority to delegate the administration and operation of the Option Plan to the Governance and Compensation Committee of the Board and to determine the terms and conditions of any agreement governing the grant of Options (each, an “**Option Agreement**”).

Under the Option Plan:

1. The vesting of the Options will be determined by the Board at the time of grant in the applicable Option Agreement.
2. The purchase price of the Option Shares (the “**Exercise Price**”) is set by the Board and may not be less than the closing price of the Common Shares on the TSX on the last trading day immediately preceding the date on which the Option is granted (the “**Option Date**”).
3. Each Option terminates on the date specified in the particular Option Agreement, which date may not be later than ten years after the Option Date (the “**Normal Expiry Date**”), subject to the early termination provisions described below.
4. If, after the Option Date and on or before the exercise in full of the Option or the Normal Expiry Date, the Optionee ceases to be a Participant: (i) by reason of the Optionee’s permanent physical or mental disability or death, then such Optionee’s vested and unvested Options may be exercised by the earlier of the Normal Expiry Date and the date that is 12 months after the date the Optionee ceases to be a Participant; (ii) due to the Optionee’s employment being terminated by the Corporation for cause, where the Optionee is not entitled to notice or to a period of notice or compensation in lieu thereof, the Optionee may exercise any vested Options prior to the earlier of the Normal Expiry Date and the date that is 10 days after the date the Optionee ceases to be a Participant; or (iii) due to the Optionee’s employment being terminated by the Corporation without notice or compensation in lieu thereof, where the Optionee is entitled to reasonable notice or compensation in lieu thereof, then the Optionee may exercise any vested Options prior to the earlier of the Normal Expiry Date and the date the Optionee ceases to be a Participant (if the Optionee is given a reasonable period of notice) or the date that is 21 days after the date the Optionee ceases to be a Participant (if the Optionee is paid compensation in lieu of

reasonable notice). In each of the foregoing cases, the Participant has to exercise its Options on or before the earlier of the Normal Expiry Date and the applicable date that is set out in the Option Plan. If the Optionee does not exercise its Options prior to the required date, all of its unexercised rights to acquire Option Shares thereunder, whether or not such rights have vested to and in favour of the Optionee, cease and expire and are of no further force and effect.

5. If the expiry date of an Option is on a date during a period of time imposed by the Corporation upon certain designated persons during which those persons may not trade in any securities of the Corporation (a “**Black-Out Period**”) and that Black-Out Period applies to the Participant holding that Option, the expiry date will be extended to the date that is ten (10) business days from the date the Black-Out Period ends.
6. In the event of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise, or in the event of any issuance of shares or distribution in kind of securities or other change to the Common Shares, the Board will proportionately adjust the number of Option Shares available for Options, the number of Option Shares covered by outstanding Options, the securities or other property that may be acquired upon the exercise of an Option and the price per Option Share in such Option, or one or more of the foregoing, to prevent substantial dilution or enlargement of the rights granted to, or available for, Optionees and Participants. In the event of a change of control, all unexercised and unvested outstanding stock options shall immediately vest and be exercisable but may only be purchased for tender pursuant to the subject transaction. If the subject transaction is not completed, any Common Shares issued and tendered pursuant to the transaction shall be deemed to be cancelled and returned to treasury.
7. Each Participant may also exercise a put right to require the Corporation to purchase all or part of the then vested Options which it may hold, provided, however, that the Corporation may at its sole discretion decline to accept.
8. Options may not be transferred or assigned but will ensure to the benefit of and be binding upon the legal personal representatives of the Optionee.

Subject to any required approval of any regulatory authority or the TSX, the Board may at any time or from time to time, in its sole and absolute discretion and without the approval of the Shareholders, amend, suspend, terminate or discontinue the Option Plan or may amend the terms and conditions of a specific Option granted pursuant to the Option Plan without the prior written consent of an Optionee.

The Board may also approve and effect amendments to the Plan or to a specific Option without further approval of the Shareholders to the extent such amendment:

- a) is for the purpose of curing any ambiguity, error or omission in the Option Plan to correct or supplement any provision of the Option Plan that is inconsistent with any other provision of the Option Plan;
- b) is necessary to comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed;
- c) is an amendment to the Option Plan respecting administration and eligibility for participation under the Option Plan;
- d) is to alter, extend or accelerate the terms and conditions of vesting applicable to any Option;
- e) is to accelerate the Expiry Date of any Option;
- f) is to determine the adjustment provisions described above;
- g) amends the definitions contained in the Option Plan;
- h) amends or modifies the mechanics of exercise of Options;
- i) changes the termination provisions of an Option or the Option Plan, provided the change does not entail an extension beyond the original expiry date of such Option;
- j) is an amendment to the Option Plan of a “housekeeping nature”; or
- k) any other amendment that does not require shareholder approval under the rules, regulations and policies of the TSX.



Under the Option Plan, Shareholder approval is required for the following amendments to the Option Plan or to any Option:

- a) reduce the Exercise Price of Options benefiting an Insider;
- b) extend the expiry date of Options benefiting an Insider;
- c) increase the maximum number or percentage of Common Shares issuable pursuant to Options issued and outstanding under the Option Plan;
- d) add any form of financial assistance by the Corporation for the exercise of any Option;
- e) change the class of Participants which would have the potential of broadening or increasing participation by Insiders of the Corporation;
- f) amend, remove or exceed the Insider participation limit set out in the Option Plan; or
- g) amend the amendment provisions of the Option Plan.

The Option Plan is effective as of 20th day of September 2018 and was approved by the shareholders on 9th day of May 2019.

## **GENESIS**

**GENESIS LAND DEVELOPMENT CORP.**

6240, 333 – 96 Ave. NE  
Calgary, Alberta, Canada T3K 0S3

**Main** 403 265 8079  
**Email** [info@genesisland.com](mailto:info@genesisland.com)

[www.genesisland.com](http://www.genesisland.com)