

**GREENLANE RENEWABLES INC.  
(the "Company")**

**CORPORATE DISCLOSURE POLICY**

**(Adopted by the Board on July 25, 2019)**

**1. Objectives**

The purpose of this Disclosure Policy is to ensure that all communications originating from the Company provide the Company's employees and current and potential shareholders with important and meaningful information. It is also important that the Company's employees and current and potential shareholders receive this information on a timely basis and at the same time. Maintaining the confidentiality of information prior to disclosure is vital to ensure equal access to information and to avoid Selective Disclosures (see Section 6.1) which could unfairly benefit certain shareholders.

Under applicable securities regulations, the Company generally is required to publicly disclose Material Information (see Section 2) immediately or as soon as practicable when the Company becomes aware of the information, regardless whether the information is positive or negative. The Company is committed to ensuring that information disclosures are made in accordance with appropriate legal and regulatory requirements.

This Policy sets out the Company's policies and practices on corporate disclosure and maintaining confidentiality of Company information. The objectives of the Policy are:

- (a) to provide guidance on disclosing information in a timely, consistent and appropriate manner;
- (b) to provide guidance on protecting and preventing the improper use or disclosure of Material Information and Company confidential information;
- (c) to educate the Company's directors, officers, and employees on the appropriate use and disclosure of Material Information and Company confidential information; and
- (d) to provide guidance on how the Company's directors, officers, and employees can help ensure the Company meets its reporting requirements.

**1.1 Personal Responsibility**

It is expected that every director, officer, and employee will fully comply with all applicable legal requirements and this Policy. Failure to comply with this Policy may result in disciplinary actions.

## **1.2 Policy Approval**

This Policy has been reviewed by the Audit Committee and approved by the board of directors (the "Board"). The Chief Financial Officer will recommend any material changes as needed to this Policy for review by the Audit Committee and approval by the Board.

## **1.3 Managing the Disclosure Process**

All employees have an important role to play in ensuring that all Material Information is communicated appropriately and that confidentiality of Company information is safeguarded.

The Board has overall responsibility for ensuring that the Company meets its disclosure goals and obligations. The Board has delegated front line responsibility for ensuring that the Company fulfills its disclosure obligations on a timely basis and overseeing the Company's disclosure controls, procedures and practices to the Disclosure Committee. The Disclosure Committee consists of:

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer; and
- (c) the Company's investor relations representative (the "IR Representative"),

and such other persons as the Chief Executive Officer may designate. The Disclosure Committee will determine if information is material and therefore must be Generally Disclosed (see Section 18 for a detailed definition) and how such Material Information is to be disclosed in accordance with applicable securities laws. For example, the Disclosure Committee will approve the content of any news release disclosing Material Information.

## **1.4 Disclosure Settings**

Material Information disclosure may occur in a number of settings, all of which are subject to this Policy. These include:

- (a) disclosure in documents filed with applicable Canadian securities commissions and stock exchanges;
- (b) written statements made in the Company's annual and quarterly reports;
- (c) supplemental investor information;
- (d) written or verbal responses for proposals and submissions to prospects, clients, and suppliers;
- (e) news releases;
- (f) presentations made by senior management;

- (g) information posted on the Company's website or other electronic communications (e.g., chat rooms);
- (h) oral statements made in group or individual external and internal meetings; and
- (i) interviews with media, news conferences and webcasts.

The above listing is meant to be illustrative. There may be other settings in which Material Information disclosure may occur. Any member of the Disclosure Committee should be contacted if there is any uncertainty as to whether or not a specific disclosure is subject to this Policy.

## **2. Material Information and Confidentiality**

Material Information is any information relating to the business and affairs of the Company which results in, or would reasonably be expected to result in, a significant change in the market value or price of the Company's listed securities. Stated another way, a reasonable investor would consider the information important in making a decision to buy, sell or hold the Company's shares. Material Information can include positive or negative information about the Company. Material Information consists of Material Facts related to the Company or a Material Change in the Company's business or operations.

A Material Change occurs not only when the change takes place, but also when management decides to implement a change to the business, which change the Board has approved or is likely to approve. For detailed definitions of Material Fact and Material Change, please see Section 18.

It is an offence under securities law for anyone in a Special Relationship (see definition in Section 18) with a company to inform anyone of Material Information about that company before the Material Information has been Generally Disclosed, except in those limited cases where the communication is made in the Necessary Course of Business (as discussed in Section 6.1).

## **3. Overseeing and Coordinating Disclosure**

The responsibilities of the Disclosure Committee include:

- (a) deciding whether information is material or not and when developments warrant public disclosure;
- (b) ensuring that applicable regulatory requirements regarding disclosure of Material Information are met;
- (c) monitoring the effectiveness of and compliance with this Policy;

- (d) educating the Company's directors, officers and employees about disclosure issues and the Disclosure Policy;
- (e) reviewing and authorizing disclosure (including electronic, written and oral disclosure) in advance of its public release; and
- (f) monitoring the Company's website.

The Disclosure Committee, in consultation with the Company's counsel, will also determine whether the Material Information constitutes a Material Change (see Section 18 for detailed definitions). If it is determined that a Material Change exists, the Chief Financial Officer should be directed to file a material change report with relevant Canadian securities commissions within the required time period.

In practice, the Chief Financial Officer's office will take the lead role in preparing most disclosure documents by working in cooperation with the Disclosure Committee and other personnel of the Company depending on the subject matter.

The board of directors of the Company has reserved any public announcements relating to the following events to require board approval:

- (a) the release of the annual and quarterly financial statements of the company;
- (b) guidance on revenues or earnings or other similar forward looking financial information that could impact the market price of the Company's shares;
- (c) material transactions outside of the normal course of business; and
- (d) a situation that could impact the reputation or good standing of the Company.

### **3.1 Keeping the Chief Financial Officer Informed of Issues**

It is essential that the Company's directors, officers, and employees keep the Chief Financial Officer apprised of potentially material developments on a timely basis so the Chief Financial Officer can evaluate any events that might impact the disclosure process and, if deemed appropriate, discuss them with the Disclosure Committee.

### **3.2 Keeping Audit Committee and Board Informed of Issues**

It is the responsibility of the Disclosure Committee to keep the Audit Committee and the Board appropriately informed of potential disclosures or to present issues that require the directors' input for resolution.

#### **4. Audit Committee Review of Certain Disclosures**

The Audit Committee will review the following disclosures in advance of their public release by the Company:

- (a) earnings guidance or future oriented financial information; and
- (b) news releases or other filings with securities regulators containing financial information based on the Company's financial statements prior to the release of such statements.

#### **5. Authorized Spokespersons**

The Company's Chief Executive Officer and Chief Financial Officer and the Company's investor relations representative (the "IR Representative") are designated as the Company's Authorized Spokespersons.

Other Company directors, officers, and employees who are not authorized to be spokespersons must not respond on behalf of the Company to any inquiries from, or initiate communication of Material Information with the financial community, shareholders or media other than in the Necessary Course of Business (as discussed in Section 6.1). All such communication must be referred to one of the Authorized Spokespersons. In particular, there should be no communications with financial analysts by anyone other than an Authorized Spokesperson.

#### **6. Maintaining Confidentiality of Material Information and Confidential Information**

Directors, officers and employees should assume that all non-public Company information is confidential unless it is specifically designated otherwise.

Confidential information about the Company is subject to strict confidentiality restrictions and care must be taken to ensure it is provided only to other Company employees or third parties who require access to it to further the business purposes of the Company. Furthermore, such access must be on the basis that recipients understand and maintain the confidentiality of the information.

Access to confidential information should be restricted to authorized persons who are aware of their confidentiality obligations and who have signed a confidentiality agreement where required by the Company.

Access to Material Information should be restricted to persons who are aware of or are informed of the disclosure requirements and practices concerning Material Information and the prohibitions on trading in securities that arise from having knowledge of Material Information (see "Trading Restrictions" section below).

Where disclosure of a Material Change is delayed pursuant to securities legislation, the Company is under a duty to take precautions to keep the Material Change confidential. During

the period before Material Information is Generally Disclosed, the Chief Financial Officer should closely monitor market activity in the Company's securities.

### **6.1 Selective Disclosure and Necessary Course of Business**

Disclosure to any person or select group (including investment analysts and the media), of Material Information that has not been Generally Disclosed, is considered Selective Disclosure. Selective Disclosure is a prohibited activity unless such disclosure is made in the "Necessary Course of Business".

The Necessary Course of Business is a limited exception and exists so as not to unduly interfere with a company's necessary business activities. The exception would generally cover communications required to further the business purposes of the Company with:

- (a) customers and prospects;
- (b) vendors, suppliers, or strategic partners on issues such as joint bids, research and development, and sales and marketing contracts;
- (c) employees, officers, and Board members;
- (d) lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to the Company;
- (e) parties to negotiations; and
- (f) government agencies and non-governmental regulators.

The Necessary Course of Business exception would not permit the Company to make a Selective Disclosure of Material Information to a financial analyst, institutional investor or other market professional.

### **6.2 Confidentiality Agreements**

If disclosures of Material Information are made under the Necessary Course of Business exception, the Company should make sure those receiving the information understand that they cannot pass the information on to anyone else or buy or sell securities of the Company until it has been Generally Disclosed.

It is considered good business practice to have the party receiving Material Information in the Necessary Course of Business sign a non-disclosure agreement to confirm their understanding of the confidential nature of the information.

However, the use of a non-disclosure agreement does not provide an exemption to the rules against Selective Disclosure, so it is always necessary to determine whether disclosure of Material Information is being made in the Necessary Course of Business. For example, Selective

Disclosure made to a financial analyst is not considered to be in the Necessary Course of Business and would result in a violation of disclosure rules regardless of whether or not a non-disclosure agreement was signed by the analyst.

## **7. Investment Community Disclosures**

### **7.1 Reviewing Analyst Reports**

The Company's general policy is not to comment upon analysts' reports. If factual errors are found in an analyst's report, the Chief Financial Officer may provide commentary identifying publicly disclosed factual information that may affect an analyst's model or point out inaccuracies with reference to publicly available information about the Company. Such commentary will be provided in a way that does not violate applicable Selective Disclosure rules.

Distribution of analyst reports outside of the Company should be avoided so as not to create the impression of Company validation of the report.

### **7.2 Private Briefings with Analysts, Institutional Investors and other Market Professionals**

In the course of dealing with the investment community, it may be necessary to conduct private briefings with various market professionals. During these meetings, only Non-Material Information and publicly disclosed information should be provided. Comments on current period earnings estimates and financial assumptions other than information Generally Disclosed is to be avoided.

## **8. Media Disclosures**

For media representatives (e.g., business reporters) access to Material Information should be similar to that granted to the investment community. Only the Authorized Spokespersons should communicate Material Information that has already been Generally Disclosed with the media. One of the Authorized Spokespersons should be contacted if there is any confusion whether communication with media representatives is appropriate.

## **9. Industry Conferences**

Company employees make a number of public speeches and presentations to industry groups and conferences related to areas in which the Company does business. It is important that these presentations do not include Material Information not yet Generally Disclosed. If there is any doubt regarding the content of the presentation or speech, further guidance should be sought from the Chief Financial Officer.

There may be other forums in which the Company's directors, officers or employees make speeches or presentations relating directly to the Company's business affairs and financial results. Invitations to these sorts of events should be approved by the Chief Financial Officer

prior to acceptance. In addition, such public speeches or presentations should be reviewed by the Chief Financial Officer. Legal counsel should be consulted, where appropriate.

## **10. Electronic Communications**

All communications, including electronic communications, must comply with securities laws and are subject to this Policy. Electronic communications include the Company website, the Internet, and email.

Proper precautions should be taken when using electronic communications to discuss undisclosed Material Information about the Company. Discussion of undisclosed Material Information can only occur in the Necessary Course of Business.

### **10.1 Corporate Website**

The IR Representative will be responsible for updating the Company website disclosure documents.

It is important to note that disclosure of Material Information on the Company website does not constitute General Disclosure and is not adequate disclosure of Material Information. The IR Representative must ensure that Material Information is disseminated to all required securities regulators and is Generally Disclosed, before any disclosure is made on the Company website.

All publicly filed documents, including news releases containing Material Information, should be included on the Company website as soon as practicable after such material has been accepted for filing by the appropriate regulatory agency.

The Company's website should have a notice advising the reader that the information that is posted is accurate at the time of posting but the Company specifically disclaims any intention or responsibility to update this information and it may be superseded by subsequent disclosures. All Material Information disclosures posted to the Company website, including text and audiovisual, should show the date such material was issued. All outdated Material Information disclosures will be archived on the Company website for a period of two years to allow for continued public access.

Links from the Company's website to a third party website should be considered with care. When such a link is provided, a notice must be clearly posted that advises readers that they are leaving the Company website and that the Company is not responsible for the contents of the other site.

### **10.2 Internet Discussion Forums, Chat Rooms, Bulletin Boards and Electronic Mail**

Company employees may participate in certain electronic forums for a number of reasons related to the Company's business. Material Information and Company confidential information must not be discussed in any electronic forum.



Directors, officers, and employees are strongly advised to not participate in any investment or business related electronic forums where the Company's business affairs are discussed. Liabilities to the Company may arise from even well-intentioned efforts to correct rumours or defend the Company.

## **11. Future Oriented Financial Information**

To the extent any future oriented financial information is provided in required disclosure documents under securities legislation, it should be clearly marked as future oriented and all material assumptions used in the preparation of the future oriented financial information should be identified.

Written and oral statements relating to future oriented financial information should be accompanied by appropriate contingency and cautionary language or notices, which should identify or refer to the risks and uncertainties that may cause the actual results to differ materially from those projected in the statements.

A statement that disclaims the Company's intention or obligation to update or revise the future oriented financial information, whether as a result of new information, future events or otherwise, except as required by law, must be included. Notwithstanding this disclaimer, should subsequent events prove past statements to be materially different, the Company may at its discretion choose to issue a news release.

At the beginning of Company earnings release conference calls or presentations, an Authorized Spokesperson should make a statement that future oriented financial information may be discussed. This will include appropriate cautionary language or references to cautionary statements contained in publicly available documents containing the assumptions, sensitivities, and a discussion of the risks and uncertainties.

## **12. Unintentional Selective Disclosures**

Any Selective Disclosure made by a person who did not know that the information was both Material Information and had not been Generally Disclosed is commonly referred to as unintentional Selective Disclosure.

If it appears that an unintentional Selective Disclosure has been made, the Chief Financial Officer should be contacted immediately. If it is determined that there has been unintentional Selective Disclosure, the Chief Financial Officer should immediately take all appropriate steps including:

- (a) generally disclosing the Material Information that has been unintentionally selectively disclosed; and
- (b) notifying the person to whom the unintentional Selective Disclosure was made that such information has not been Generally Disclosed and must remain

confidential and that he or she may not buy or sell securities of the Company until such information is Generally Disclosed.

Where the Chief Financial Officer determines that General Disclosure of an unintentional Selective Disclosure is required, the Chief Financial Officer should notify the Disclosure Committee and relevant stock exchanges immediately of the unintentional Selective Disclosure and the Disclosure Committee should determine whether trading should be halted pending the issuance of a news release.

### **13. Trading Restrictions**

Securities legislation also prohibits anyone in a Special Relationship with the Company who has knowledge of Material Information regarding the Company that has not been Generally Disclosed from buying or selling securities of the Company. This prohibited activity is commonly known as “insider trading.”

Employees are advised to review the Company’s Securities Trading and Reporting Guidelines for specific guidance on trading the Company’s securities and avoiding insider trading.

### **14. Quiet Periods**

A quarterly “Quiet Period”, during which no earnings guidance or comments with respect to the current quarter’s operations or expected results will be provided to analysts, investors or other market professionals, will be observed. The “Quiet Period” generally runs between the end of the quarter and the release of a quarterly earnings announcement.

Please also refer to the Company’s Securities Trading and Reporting Guidelines for guidance on Blackout Periods when the Company’s directors, officers and employees may not trade Company securities.

### **15. Market Rumours**

It is the Company’s general policy to neither confirm nor deny market rumours. Authorized Spokespersons are to generally respond “It is the Company’s policy not to comment on market rumours or speculations.” However, the Chief Financial Officer may authorize responses to rumours that are factually incorrect and are deemed harmful to the Company’s interests (such as a rumour that an Officer of the Company has been terminated, when that is not the case).

Securities regulators may require the Company to make a clarifying statement where trading in the Company’s securities appears to be heavily influenced by rumours. If the rumour is a result of Material Information having been leaked (and therefore true) and appears to be affecting trading activity in the Company’s securities, the Disclosure Committee will consider whether a full public announcement is required. This may include contacting relevant securities exchanges and asking that trading be halted pending the issuance of a news release.

## **16. Requests for Corporate Information**

The Company may receive requests from shareholders, potential shareholders, and media for information. Employees should refer such requests to the Authorized Spokespersons or the IR Representative for action.

The IR Representative shall maintain an up-to-date corporate information package (“CIP”) on the Company’s website consisting of:

- (a) the Company’s latest annual report;
- (b) the Company’s latest quarterly report;
- (c) the Company’s press releases issued for at least the previous six months;
- (d) the Company’s latest annual information form; and
- (e) selected marketing material (approved by the Chief Financial Officer).

The IR Representative shall review the CIP at least monthly to update the information contained in it if required. In addition to the usual CIP contents, additional public information such as the Company’s most recent proxy circular or prospectus or material change reports shall be made available upon request.

## **17. Policy Communications and Contacts**

All directors, officers, and employees are to be advised of this Policy and its importance.

If there are any questions about any aspect of this Policy or responsibilities of the Company’s directors, officers or employees under it, the Chief Financial Officer should be contacted.

If an employee becomes aware of a possible violation of this Policy he/she is encouraged to report it to his/her manager or the Chief Financial Officer.

If any person does not feel comfortable reporting a particular matter to his or her local management, such person should report it to any other member of the Company’s management, including the Chief Executive Officer, in a timely, effective way and to ensure that confidentiality is maintained.

Where a person feels it is not appropriate to report the breach to a member of management, such person may report to any one of the directors. If the alleged breach is with respect to financial and internal controls and accounting matters, then the concern should be reported to the Chief Financial Officer. If a person feels this is not appropriate, the matter may be reported to external legal counsel. Counsel will have responsibility for forwarding the alleged violation to the Chair of the Audit Committee who will have responsibility for determining whether a violation has occurred and what disciplinary measures are appropriate.

## 18. Definitions

In this Policy:

- (a) "Audit Committee" means the committee of the Board that is responsible for, amongst other matters, overseeing the Company's financial reporting process, internal controls and disclosure controls.
- (b) "Generally Disclosed" means the information has been disseminated in a manner calculated to effectively reach the marketplace and public investors have been given a reasonable amount of time to analyze the information. For example, information that has been released via a news release distributed through a widely circulated news or wire service and through a press conference and conference call. Postings to the Company's website are generally not considered to be sufficient to meet "Generally Disclosed" requirements.
- (c) "Material Change" means a change in the business, operations, assets or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of the securities of the Company, or a decision to implement such a change made by (i) senior management of the Company who believe that confirmation of the decision by the Board is probable; or (ii) the Board. In other words, a change or the decision to make a change in the Company's business (approved or likely to be approved by the Board) that will have an impact on the decision of a shareholder to buy, sell, or hold the Company's securities.
- (d) "Material Fact" means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Company's securities.
- (e) "Special Relationship" for the purpose of this Policy, means persons in a special relationship with the Company as provided under applicable securities legislation, and include:
  - (i) insiders as defined under securities legislation;
  - (ii) directors and officers of the Company or any subsidiary, associate or affiliate thereof;
  - (iii) persons engaging in professional or business activities for or on behalf of the Company, including contractors; and
  - (iv) anyone who learns of Material Information from someone that he or she knows or should know is a person in a Special Relationship with the Company.