



SOLO GROWTH CORP.

ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2018

Dated April 29, 2019

TABLE OF CONTENTS

GLOSSARY	1
CONVENTIONS	5
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	5
CORPORATE STRUCTURE	7
Name, Address and Incorporation.....	7
Intercorporate Relationships	7
GENERAL DEVELOPMENT OF THE BUSINESS	7
Three Year History	7
Recent Developments	9
Significant Acquisitions.....	10
DESCRIPTION OF THE BUSINESS OF THE COMPANY	10
General.....	10
Cannabis Retail	11
Specialized Skill and Knowledge.....	11
Competitive Conditions.....	11
Employees.....	11
Reorganizations.....	12
INDUSTRY CONDITIONS	12
Canadian Regulatory Overview.....	12
Summary of the Federal Cannabis Act and the Federal Regulations	12
Alberta Cannabis Framework	13
Ontario Cannabis Framework.....	13
Canadian Recreational Cannabis Market.....	14
RISK FACTORS.....	15
Risk Factors Generally Related to the Company	15
Listing on the TSXV and the FSE	15
Reliance on Key Personnel	15
Management of Growth	15
Additional Funding Requirements.....	16
Capital Lending Markets	16
Issuance of Debt.....	16
Expansion into New Activities	16
Breach of Confidentiality	16
Conflicts of Interest	17
Dilution	17
Third Party Credit Risk.....	17
Political Uncertainty	17
Forward-Looking Information May Prove to be Inaccurate.....	17
Legal Proceedings	17
Risk Factors Related to the Company's Retail-Focused Cannabis Business Strategy	18
Change in Cannabis Laws, Regulations and Guidelines.....	18

Operation Licences, Permits and Authorizations.....	18
Competition.....	18
Cannabis Retail Licences.....	19
Client Acquisition and Retention.....	19
Unfavorable Publicity or Consumer Perception.....	19
Proprietary Market Research.....	20
Commodity Taxes and Government Mark-Ups.....	20
Supply of Cannabis Products.....	20
Profitability of Cannabis Retail Outlets.....	20
Shelf Life Inventory.....	21
Operating Risk and Insurance Coverage.....	21
Safety and Health Regulations.....	21
Liability, Enforcement Complaints, etc.....	21
Difficulty Transitioning and Growing a Business.....	21
Available Talent Pool.....	22
 DIVIDENDS.....	 22
 DESCRIPTION OF SHARE CAPITAL.....	 22
Common Shares.....	22
First Preferred Shares.....	22
 MARKET FOR SECURITIES.....	 23
Trading Price and Volume.....	23
Prior Sales.....	23
 ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER.....	 23
 DIRECTORS AND OFFICERS.....	 24
Cease Trade Orders.....	25
Bankruptcies.....	25
Penalties or Sanctions.....	25
Conflicts of Interest.....	25
 LEGAL PROCEEDINGS AND REGULATORY ACTIONS.....	 26
 INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	 26
 TRANSFER AGENT AND REGISTRAR.....	 26
 MATERIAL CONTRACTS.....	 26
 INTERESTS OF EXPERTS.....	 26
 ADDITIONAL INFORMATION.....	 27

GLOSSARY

Certain terms and abbreviations used in this Annual Information Form are defined below:

“2016 Deloitte Report” has the meaning ascribed thereto in *“Industry Conditions – Canadian Recreational Cannabis Market”*;

“2016 Private Placement” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended January 31, 2017”*;

“2018 Deloitte Report” has the meaning ascribed thereto in *“Industry Conditions – Canadian Recreational Cannabis Market”*;

“ABCA” means the *Business Corporations Act* (Alberta), including the regulations made thereunder, in each case as now in effect and as may be amended or replaced from time to time;

“Administrative Services Agreement” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended December 31, 2018”*;

“adult” means the minimum age to purchase, sell or consume cannabis pursuant to Law;

“AGLC” means the Alberta Gaming, Liquor and Cannabis Commission;

“AGCO” means the Alcohol and Gaming Commission of Ontario;

“AIF” means this annual information form dated April 29, 2019 for the financial year ended December 31, 2018;

“Alberta Cannabis Act” means the *Gaming, Liquor and Cannabis Act* (Alberta) as now in effect and as may be amended from time to time;

“Alberta Regulations” means the *Gaming, Liquor and Cannabis Regulations* (Alberta) as now in effect and as may be amended from time to time;

“BCBCA” means the *Business Corporations Act* (British Columbia);

“Bill 26” means Bill 26, *An Act to Control and Regulate Cannabis*, passed by the Government of Alberta on November 30, 2017, which came into force on October 17, 2018, as may be amended from time to time;

“Bill 36” means Bill 36, *An Act to enact a new Act and make amendments to various other Acts respecting the use and sale of cannabis and vapour products in Ontario*, passed by the Government of Ontario on October 17, 2018, as may be amended from time to time;

“Board” means the board of directors of the Company and, as at December 31, 2018 included Pali Bedi, Richard McHardy, Ron Hozjan, Sonny Mottahed, Michael Stark and James Miller and, as at the date hereof includes Theodore Zunich, Richard McHardy, Ron Hozjan, Sonny Mottahed, Michael Stark and James Miller;

“Call Right” has the meaning ascribed thereto in *“General Development of the Business – Recent Developments”*;

“cannabis” means one of the authorized classes of cannabis that are set out in Schedule 4 to the Federal Cannabis Act, which as the date hereof include dried cannabis, fresh cannabis, cannabis oil, cannabis plants and cannabis plant seeds;

“cannabis product” means cannabis of any authorized class after it has been packaged and labelled for sale to a consumer at the retail level, but does not include a pharmaceutical drug containing cannabis;

“Change in Management and Board” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended December 31, 2018”*;

“Change of Business” means the transactions, including, without limitation, the Private Placement, the Change in Management and Board, the Administrative Services Agreement and the name change of the Company to “Solo Growth Corp.™”, that resulted in a “Change of Business” of the Company from that of a mining company to that of a cannabis company pursuant to the policies of the TSXV;

“Common Shares” means the common shares in the capital of the Company;

“Company” means Solo Growth Corp.™;

“Computershare” means Computershare Trust Company of Canada;

“Escrow Agent” means Computershare, in its capacity as escrow agent pursuant to the Escrow Agreement;

“Escrow Agreement” means the value security escrow agreement entered into between the directors and officers of the Company and the Escrow Agent following the completion of the Change of Business;

“Escrowed Securities” means 94,220,000 Common Shares and 93,520,000 Warrants;

“Expression of Interest Application” has the meaning ascribed thereto in *“General Development of the Business – Recent Developments”*;

“Federal Cannabis Act” means the *Cannabis Act* (Canada) as now in effect and as may be amended or replaced from time to time;

“Federal Regulations” means the SOR 2018/144: Cannabis Regulations as now in effect and as may be amended or replaced from time to time;

“First Preferred Shares” means the first preferred shares in the capital of the Company;

“Former Options” means Options granted under the Company’s Former Stock Option Plan;

“Former Stock Option Plan” means the former stock option plan of the Company that was replaced with a new stock option plan on July 31, 2018;

“FSE” means the Frankfurt Stock Exchange;

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, including, for greater certainty, Health Canada, the AGLC, the AGCO, the OCRC and other applicable regulatory authorities with oversight of the cannabis industry and any business or operations within the cannabis industry generally; (b) any subdivision or authority of any of the above; (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange, including, for greater certainty, the TSXV and the FSE;

“Gowganda Gold Project” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended January 31, 2017”*;

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, tariffs, directives, policies, guidelines, notices and protocols of any Governmental Entity, as amended, including, without limitation, all applicable federal, provincial, state, municipal, and local zoning, environmental, controlled substance laws and regulations, including, for greater certainty, the Federal Cannabis Act and the Federal Regulations, the Alberta Cannabis Act, the Alberta Regulations, the Ontario Cannabis Laws, the Ontario Regulations, and other lawful requirements of any governmental or regulatory body, including, but not limited, to relevant permits and licences;

“Licensed Retail Store” means a cannabis retail establishment that operates under a Retail Licence pursuant to Law;

“Licensed Producer” means the holder of a federal licence issued by Health Canada pursuant to the Federal Cannabis Act authorizing the licence holder to: (a) possess cannabis; (b) obtain dried or fresh cannabis, cannabis plants or cannabis seeds by propagating, cultivating, harvesting; (c) for the purpose of testing, alter the chemical or physical properties of the cannabis; (d) sell and distribute dried cannabis, fresh cannabis, cannabis plants or seeds to other licence holders (including cultivators, processors, analytical testers, researchers, cannabis drug licence holders), provided that dried cannabis or fresh cannabis cannot be sold to the holder of a nursery licence; (e) sell and distribute cannabis plants or seeds to a licenced nursery; (f) sell and distribute cannabis products that are plants or seeds to a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Law; (g) send and deliver cannabis products that are plants or seeds to the purchaser at the request of a licence holder that is authorized to sell cannabis for medical purposes or to a person authorized to sell cannabis under a provincial or territorial Law; and/or (h) conduct ancillary activities (e.g., drying, trimming, milling, etc.);

“Lottery” has the meaning ascribed thereto in *“General Development of the Business – Recent Developments”*;

“Management Team” means, as at December 31, 2018, Pali Bedi, President and Chief Executive Officer, Stephanie Bunch, Vice President, Finance and Chief Financial Officer, Theodore Zurich, Vice President, Corporate Development, Jasbir Hans, Vice President, Operations and Sony Gill, Corporate Secretary and, as at the date hereof includes Theodore Zurich, President and Chief Executive Officer, Stephanie Bunch, Vice President, Finance and Chief Financial Officer and Sony Gill, Corporate Secretary;

“Manager Licence” has the meaning ascribed thereto in *“Industry Conditions – Canadian Regulatory Overview – Ontario Cannabis Framework”*;

“medical purposes” is the use of cannabis to treat disease or improve symptoms such as pain, muscle spasticity, nausea and other indications and can be administered using a variety of methods including, but not limited to, vaporizing or smoking dried buds, capsules, and oral/dermal sprays, and can also be ingested as oil or cannabis derivatives;

“Meeting” means the Company’s next annual and special meeting of Shareholders to be held on May 29, 2019, or any adjournment(s) or postponement(s) thereto;

“Name Change” has the meaning ascribed to it in *“General Development of the Business – Recent Developments”*;

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

“OCRC” means the Ontario Cannabis Retail Corporation, operating as Ontario Cannabis Store;

“Ontario Cannabis Laws” include the Ontario Control Act, Ontario Licence Act and the Ontario Retail Corporation Act;

“Ontario Control Act” means the *Cannabis Control Act, 2017* (Ontario) as now in effect and as may be amended from time to time;

“Ontario Licence Act” means the *Cannabis Licence Act, 2018* (Ontario) as now in effect and as may be amended from time to time;

“Ontario Licence Regulation” means O. Reg. 497/18: General enacted pursuant to the Ontario Licence Act;

“Ontario Regulations” include O. Reg. 327/18: Non-Application of Act to Certain Cannabis and Cannabis Products, O. Reg. 30/18: General, O. Reg. 33/18: General and Ontario Licence Regulation as now in effect and as may be amended from time to time;

“Ontario Retail Corporation Act” means the *Ontario Cannabis Retail Corporation Act, 2017* as now in effect and as may be amended from time to time;

“Operator Licence” has the meaning ascribed thereto in *“Industry Conditions – Canadian Regulatory Overview – Ontario Cannabis Framework”*;

“Option Agreement” means the agreement entered into between the Company and Transition Metals Corp. dated effective October 31, 2016;

“Options” means options to acquire Common Shares;

“Private Placement” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended December 31, 2018”*;

“Proposal” has the meaning ascribed thereto in *“Industry Conditions – Canadian Regulatory Overview – Summary of Federal Cannabis Act and the Federal Regulations”*;

“Retail Licence” means the applicable provincial licence(s) and authorization(s) issued by the AGLC, the AGCO or any Governmental Entity pursuant to Laws granting the holder thereof the authority to (a) purchase cannabis from the AGLC, the OCRC or any Governmental Entity for a particular Licensed Retail Store, and (b) possess, store and sell cannabis products for recreational use at a particular Licensed Retail Store;

“Rights Offering” has the meaning ascribed thereto in *“General Development of the Business – Three Year History – Financial Year Ended December 31, 2018”*;

“Shareholders” means the holders of Common Shares;

“Store Authorization” has the meaning ascribed thereto in *“Industry Conditions – Canadian Regulatory Overview – Ontario Cannabis Framework”*;

“TSXV” means the TSX Venture Exchange;

“Unit” means the securities of the Company, each Unit consisting of one Common Share and one Warrant;

“Warrants” means warrants to purchase Common Shares; and

“YSS” has the meaning ascribed thereto in “*General Development of the Business – Three Year History – Financial Year Ended December 31, 2018*”.

CONVENTIONS

Unless otherwise indicated, references herein to “\$” or “dollars” are to Canadian dollars. All financial information with respect to the Company has been presented in Canadian dollars in accordance with International Financial Reporting Standards. The information in this AIF is stated as at December 31, 2018, unless otherwise indicated.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this AIF may constitute forward-looking statements. These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this AIF should not be unduly relied upon by investors. These statements speak only as of the date of this AIF and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this AIF may contain forward-looking statements pertaining to the following:

- expectations as to the Company’s business strategy and future operations;
- the impact of the national shortage of cannabis supply on the licensing processes;
- future issuances of Retail Licences, specifically in Alberta and Ontario;
- the Company’s applications for and granting of development permits and Retail Licences and the timing thereof;
- expectations as to cannabis sales by the Company;
- the use of proceeds of the Private Placement and the Rights Offering;
- treatment under governmental regulatory and taxation regimes;
- the grant and impact of any development permits, Retail Licences and regulatory approvals to conduct cannabis-related activities;
- expectations regarding legislation, regulations and licensing relating to the sale of cannabis products for recreational use;
- the number and locations of Licensed Retail Stores the Company intends to open across Canada and the timing thereof;
- the Company’s financial position and future prospects;
- the development of retail premises;
- expectations as to the size and value of a recreational cannabis market in Canada;
- expected operating costs, general and administrative costs, costs of services and other costs and expenses;
- ability to meet current and future obligations;
- ability to obtain retail leases, equipment, services and supplies in a timely manner; and
- ability to obtain financing on acceptable terms or at all.

With respect to forward-looking statements contained in this AIF, the Company has made assumptions regarding, among other things:

- success of the Company’s business strategy, including organic growth, acquisitions, partnerships and other strategic activities;

- impact of increasing competition;
- timing and amount of capital expenditures;
- future operating costs;
- government regulations, including future legislative and regulatory developments involving recreational cannabis and the timing thereto;
- the hybrid retail model in Ontario and the timing thereof;
- availability of cannabis products from Licensed Producers and the distribution thereof by Governmental Entities;
- supply interruptions or delays;
- effects of regulation by Governmental Entities;
- changes to laws regarding the recreational use of cannabis and the impact on the Company's business strategy;
- demand for cannabis products and corresponding forecasted increase in revenues;
- the size of the recreational cannabis market;
- the legislative and regulatory environments of the jurisdictions where the Company will carry on business;
- the ability of the Company to obtain Retail Licences and necessary approvals for the sale of cannabis at its retail premises;
- the ability of the Company to obtain qualified staff, services, supplies and equipment in a timely and cost-efficient manner;
- conditions in general economic and financial markets; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this AIF:

- success of the operations of the Company;
- ability of the Company to execute its business strategy;
- shortage of cannabis supply in Canada;
- the temporary suspension of the licensing process and the issuance of Retail Licences in Alberta;
- the Lottery and the issuance of limited Retail Licences in Ontario;
- legislative and regulatory environments of the jurisdictions where the Company will carry on business or have operations;
- federal, provincial and municipal government cannabis regulation and changes thereto;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations;
- development of Licensed Retail Stores including construction delays;
- the effect consumer perception of the recreational use of cannabis will have on the price of cannabis products;
- impact of competition and the competitive response to the Company's business strategy;
- competition for, among other things, capital, Retail Licences, leases and skilled personnel;
- the risks of the cannabis industry, such as regulatory risks and increasing competition;
- timing and amount of capital and other expenditures;
- the effect of any future litigation proceedings on the Company's business; and
- the other factors considered under "*Risk Factors*" below.

The Company has included the above summary of assumptions and risks related to forward-looking information provided herein in order to provide investors with a more complete perspective on the Company's current and future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained herein are expressly qualified by this cautionary statement. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly

update or revise any forward-looking statements and readers should also carefully consider the matters discussed under the heading “*Risk Factors*” below.

The forward-looking statements or information contained herein are made as of the date hereof and the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the BCBCA on September 8, 1987 as “Quattro Resources Ltd.” On July 31, 2001, the Company changed its name to “Aldershot Resources Ltd.” and the Common Shares commenced trading on the TSXV under the trading symbol “ALZ”.

In connection with the Change of Business, the Company changed its name to “Solo Growth Corp.™” and continued from British Columbia into Alberta under the ABCA on January 4, 2019. The Common Shares commenced trading on the TSXV under the name “Solo Growth Corp.™” and the stock symbol “SOLO” at market opening on January 7, 2019. The Common Shares commenced trading on the FSE under the stock symbols “WKN:A2PBMC” and “FSE:2LK” at market opening on April 11, 2019.

Subject to Shareholder and regulatory approval, the Company intends to change its name to “YSS Corp.” and its stock symbol on the TSXV to “YSS” as soon as possible after the Meeting. For additional information, see “*General Development of the Business – Recent Developments*” below.

The Company is a reporting issuer in British Columbia and Alberta. The Company’s head office is located at Suite 1000, 350 – 7th Avenue S.W., Calgary, Alberta T2P 3N9. The registered office of the Company is located at Suite 4300, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

Intercorporate Relationships

The Company has three wholly-owned subsidiaries: (i) Aldershot Holdings Ltd., incorporated on October 6, 2016 under the BCBCA; (ii) Solo Cannabis Corp., incorporated on May 4, 2018 under the ABCA; and (iii) Royal USA Inc., incorporated on October 23, 2007 under the *Colorado Revised Statutes*. Royal USA Inc. ceased operations in 2016 and has been abandoned.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

On June 28, 2018, the Company completed a series of transactions pursuant to which it transitioned from a resource company to a corporation carrying on business in the cannabis sector.

Prior to the summer of 2018, the Company’s principal business was in the exploration and development of resource properties. Since June 28, 2018, the Company has been executing on a retail-focused cannabis business strategy.

Financial Year Ended January 31, 2017

In October 2016, the Company entered into the Option Agreement with Transition Metals Corp. to acquire an interest in a gold discovery project in Ontario (the “**Gowanda Gold Project**”).

On November 22, 2016, the Company completed a non-brokered private placement of an aggregate of 12,000,000 Units at a price of \$0.05 per Unit for gross proceeds of \$600,000 (the “**2016 Private**”).

Placement). Each Unit consisted of one Common Share and one Warrant exercisable at a price of \$0.06 until November 22, 2021.

Financial Year Ended January 31, 2018

The Company conducted an exploration program on the Gowganda Gold Project until the fall of 2017, after which all operations ceased.

Financial Year Ended December 31, 2018

On June 4, 2018, the Company and Transition Metals Corp. entered into an agreement to terminate the Option Agreement and the Company no longer has any rights with respect to the Gowganda Gold Project.

On June 28, 2018, the Company: (i) completed a non-brokered private placement for gross proceeds of \$25.6 million (the **Private Placement**); (ii) appointed the Management Team and Board (the **Change in Management and Board**); and (iii) entered into an administrative services agreement (the **Administrative Services Agreement**) with Solo Liquor Stores Ltd. The proceeds from the Private Placement are being used to establish and launch a retail cannabis business across Canada. See *“Description of the Business of the Company – General”* for more information.

Pursuant to the Private Placement, a total of 511,999,400 Common Shares and 116,980,000 Warrants were issued. The Management Team and the Board, together with additional subscribers identified by such persons, subscribed for a total of 116,980,000 Units at a price of \$0.05 per Unit, each Unit consisting of one Common Share and one Warrant. The remaining subscribers subscribed for a total of 395,019,400 Common Shares at a price of \$0.05 per Common Share. Each Warrant issued pursuant to the Private Placement entitles the holder to purchase one Common Share at a price of \$0.05 for a period of five years and shall be exercisable for 1.5 Common Shares, provided that, at the time of exercise in respect of the additional 0.5 of a Common Share per Warrant, either: (i) the Common Shares are listed on the facilities of a recognized stock exchange (other than the TSXV); or (ii) the Common Shares are acquired for cash or for the securities of a company listed on a recognized stock exchange (other than the TSXV). The Warrants issued under the Private Placement have fully vested and become exercisable.

On August 1, 2018, Theodore Zurich joined the Management Team as Vice President, Corporate Development.

On August 7, 2018, the Company announced that it had determined to change its fiscal year end from January 31 to December 31.

On September 6, 2018, the Company announced its newly launched retail brand, YSS by Solo (**YSS**), featuring an iconic symbol that conveys that YSS is the trusted destination for recreational cannabis use. The Company created the YSS brand to help break down stigmas in the cannabis space. The colours, packaging and identity are meant to tap into an existing relationship with type treatment that draws inspiration from directional signage and design usually associated with travel, guiding the consumer to feel at ease in the industry. The brand will be applied across numerous retail locations in Alberta, Ontario and other provinces to follow in 2019 and will act as a beacon in the cannabis industry.

On November 21, 2018, the AGLC announced that it was implementing a temporary hold on accepting new applications or issuing any additional Retail Licences in order to manage the cannabis supply shortage. The AGLC also announced that it would continue to process current Retail Licence applications under existing standard procedures and would maintain a queue of approved applicants on a first-in, first-out basis for licensing once the hold is removed. The Company continued to progress construction and licensing of its proposed retail stores.

On December 18, 2018, the Company completed a rights offering (the **Rights Offering**). Pursuant to the Rights Offering, an aggregate of 99,017,714 Common Shares were issued at a price of \$0.05 per

Common Share, resulting in proceeds to the Company of approximately \$5.0 million. Of such Common Shares, an aggregate of 13,000,618 were purchased by Shareholders who are a member of the Management Team or Board or identified by such persons. In addition to the Common Shares, such individuals were issued an aggregate of 13,000,618 Warrants in accordance with the prior arrangement for the issuance of such Warrants. Each Warrant issued under the Rights Offering entitles the holder to purchase one Common Share at a price of \$0.05 for a period of five years. In the event the 20-day volume weighted average trading price of the Common Shares equals or exceeds \$0.175, each Warrant shall be exercisable for 1.5 Common Shares, provided that, at the time of exercise in respect of the additional 0.5 of a Common Share per Warrant, either: (i) the Common Shares are listed on the facilities of a recognized stock exchange (other than the TSXV); or (ii) the Common Shares are acquired for cash or for the securities of a company listed on a recognized stock exchange (other than the TSXV).

On December 19, 2018, the Company announced, among other things, that three of its stores were fully constructed and ready to be inspected by the AGLC and four additional locations were in the process of being completed. The Company remained on target to open five stores in Alberta by year end 2018, as originally forecasted, until the cannabis supply shortage resulted in the suspension of the AGLC licensing process.

Recent Developments

On January 3, 2019, the TSXV granted final approval of the Company's "Change of Business". In connection with the Change of Business, the Company changed its name from "Aldershot Resources Ltd." to "Solo Growth Corp.™", continued from British Columbia to Alberta under the ABCA and adopted its new bylaws, a copy of which can be found on the Company's profile on SEDAR. The Common Shares commenced trading on the TSXV as a Tier 2 Life Sciences Issuer under the Company's new name and new trading symbol "SOLO" at the market opening on January 7, 2019.

On December 13, 2018, the AGCO announced that the first round of initial Store Authorization issuances would be limited to 25, which will be allocated across five regions in Ontario. The AGCO allowed those expressing an interest to obtain an Operator Licence (an "**Expression of Interest Application**") to enter into a lottery (the "**Lottery**") which was held on January 11, 2019 for the right to submit an application for an Operator Licence and in turn one of the 25 Store Authorizations. The Company, through its wholly-owned subsidiary, Solo Cannabis Corp., submitted one Expression of Interest Application in each of the five participating regions of Ontario. On January 11, 2019 the AGCO announced the 25 Lottery entrants that had been selected to submit applications for an Operator Licence and Store Authorization. Solo Cannabis Corp. was not selected in the Lottery and as such was placed on the wait list for the North Region (as defined in the Ontario Licence Regulation). See "*Industry Conditions – Canadian Regulatory Overview – Ontario Cannabis Framework*" for additional information.

On March 12, 2019, the Company announced that AGLC inspections have been completed on its first three fully-constructed and completed stores in Lloydminster, Vermilion and Vegreville, Alberta. With inspections completed, the Company is prepared to open these stores immediately upon granting of Retail Licences, which remains at the discretion of the AGLC subject to the prevailing supply constraints in Canada.

On March 12, 2019, the Company also announced that Theodore Zurich had been promoted to President and Chief Executive Officer of the Company and had been appointed to the Board. Concurrent with Mr. Zurich's appointment, Pali Bedi resigned as President, Chief Executive Officer and a director of the Company and Jasbir Hans resigned as Vice President, Operations.

On March 12, 2019, the Company also announced its intention to change its name to "YSS Corp." to better align with the Company's retail brand which will also evolve to YSS™. Shareholders will be asked to approve a special resolution to change the name to "YSS Corp." (the "**Name Change**") at the Meeting. Subject to Shareholder and regulatory approval, in concert with the Name Change, the Company expects to change its trading symbol on the TSXV to "YSS".

On March 18, 2019, the Company announced that AGLC inspections have been completed on two fully-constructed and completed stores in Stony Plain and Spruce Grove, Alberta. Since then, an additional AGLC inspection has been completed on a fully-constructed and completed store in Edmonton. The Company is prepared to open these stores immediately upon granting of Retail Licences, which remains at the discretion of the AGLC subject to the prevailing supply constraints in Canada. An additional store located in Calgary is near completion and is expected to be ready for inspection in the coming weeks.

On March 20, 2019, the Company announced that it had entered into and closed a definitive agreement with respect to a call right on all the voting shares of an operating Licensed Retail Store in Red Deer, Alberta for aggregate cash consideration of \$2.6 million (the “**Call Right**”). The Company also announced that it had entered into a perpetual licensing agreement to rebrand and operate the Licensed Retail Store under the YSS™ banner.

Since December 31, 2018, the Company has added critical administrative, accounting and human resources personnel to the team. As a result, the Company terminated the Administrative Services Agreement effective March 11, 2019 and moved its head office to Suite 1000, 350 – 7th Avenue S.W., Calgary, Alberta T2P 3N9.

Significant Acquisitions

The Company did not complete any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 of NI 51-102.

DESCRIPTION OF THE BUSINESS OF THE COMPANY

General

The Company has executed on its vision of becoming a premier retailer and the trusted destination for cannabis in Canada. Since its launch in June of 2018, the Company has built a strategic portfolio of locations while managing financial commitments. The Management Team brings experience across capital markets, financial management and a strong commitment to deliver shareholder value by leveraging high-quality opportunities within this exciting new industry. The Company’s retail experience is built on our five fundamental pillars: convenience, value, selection, team, and above all else, trust.

As at the date hereof, the Company has: (i) a licensing agreement and Call Right on one operating Licensed Retail Store in Red Deer, Alberta; (ii) completed inspections on the Company’s first six fully-constructed stores in Lloydminster, Vermilion, Vegreville, Spruce Grove, Stony Plain and Calgary; and (iii) one store located in Calgary and Edmonton that is near completion and is expected to be ready for inspection in the coming weeks. The Company is prepared to open stores that have been inspected immediately upon granting of Retail Licences, which remains at the discretion of the AGLC subject to the prevailing cannabis supply constraints in Canada. The Company is in the process of reviewing its remaining 16 AGLC applications for construction priority within the current regulatory environment. The Company is closely following developments in Ontario and continues to take a conservative approach with respect to securing locations in Ontario.

In response to regulatory changes that have occurred across the industry, the Management Team has increased its focus on executing on strategic opportunities within the cannabis sector that will drive shareholder value. Such opportunities include accretive strategic acquisitions, partnerships and/or other ventures designed to supplement the Company’s organic growth profile. With a strong balance sheet, extensive relationship network and aligned Management Team, the Company is well positioned to withstand short-term challenges and capitalize on opportunities that may arise within the current landscape.

Cannabis Retail

The Company intends to develop a retail cannabis business across Canada through the establishment of Licensed Retail Stores. For more information, see “*General Development of the Business – Three Year History – Financial Year Ended December 31, 2018*”, “*General Development of the Business – Recent Developments*”, “*Description of the Business of the Company – General*” and “*Industry Conditions – Cannabis*”.

Specialized Skill and Knowledge

All aspects of the Company’s business require specialized skills and knowledge. Such skills and knowledge include, among other things, knowledge on cannabis and cannabis accessories, retail, consumer goods, customer service, product knowledge and the sale of recreational cannabis in Canada. The Management Team brings experience across capital markets, financial management and a strong commitment to deliver shareholder value by leveraging high-quality opportunities within this exciting new industry and the Company will continue to build out its team from an operative point of view, which may include the addition of individuals with strong retail operational experience. For more information, see “*General Development of the Business – Recent Developments*”, “*Description of the Business of the Company – General*” and “*Directors and Officers*”.

Competitive Conditions

The Company anticipates increases in the level of competition in the Canadian cannabis industry as new participants enter the market, the nation-wide cannabis shortage continues and the issuance of Retail Licences and the related application processes remain limited or temporarily suspended, as in Ontario and Alberta, respectively. The principal aspects of competition include, among other things, obtaining Retail Licences and regulatory approvals, the availability of cannabis products, securing real estate locations, as well as the ability to attract and retain key personnel and consumers. As of the date of this AIF, the AGLC has issued a total of 101 Retail Licences and the AGCO has issued 21 Operator Licences and 19 Store Authorizations, and 19 of the 25 selected Lottery entrants have received both. The AGLC has maintained a queue of approved retailers that will be issued Retail Licences on a first-in, first-out basis if and when the suspension is lifted. In addition, the AGCO has formed wait lists of Lottery entrants for each of the five regions of Ontario established in the Ontario Licence Regulation.

The cannabis shortage supply and the resulting effect on the licensing processes in Ontario and Alberta has had, and will continue to have, an impact on the Company’s ability to obtain Retail Licences across Canada. See “*Industry Conditions – Canadian Regulatory Overview – Alberta Cannabis Framework*”, “*Industry Conditions – Canadian Regulatory Overview – Ontario Cannabis Framework*” and “*Risk Factors – Risk Factors Related to the Company’s Retail-Focused Cannabis Business Strategy*”.

Intangible Properties

The Company recognizes the importance of its retail brand on the Company’s success and its competitive position and the need to protect and enhance its value. The Company, through its wholly-owned subsidiary Solo Cannabis Corp., filed trademark applications for “Solo Growth” on May 7, 2018 and for “by Solo” and “Where Discovery Happens” on September 25, 2018. The Company also filed through Solo Cannabis Corp. a design-mark application for “YSS” on September 25, 2018 and a trademark application for “YSS” on February 20, 2019.

Employees

As at December 31, 2018, the Company had six employees. As at the date hereof, the Company has 18 employees.

Reorganizations

Other than as disclosed in “*General Development of the Business – Three Year History – Financial Year Ended December 31, 2018*”, there have been no material reorganizations of the Company within the three most recently completed financial years or completed during or proposed for the current financial year.

INDUSTRY CONDITIONS

Canadian Regulatory Overview

Summary of the Federal Cannabis Act and the Federal Regulations

On June 18, 2018, the Government of Canada passed legislation, the Federal Cannabis Act, outlining the framework for the legalization of recreational use of cannabis, as well as laws to address drug-impaired driving, protection of public health and safety and prevent youth access to cannabis. Regulations to support the Federal Cannabis Act were also published in the Canada Gazette, Part II, on July 11, 2018. The Federal Cannabis Act and its regulations came into force on October 17, 2018 and adults are now able to purchase limited amounts of cannabis products from Licensed Retail Stores subject to provincial and municipal government restrictions. Federally-governed cannabis operations, including the production of cannabis for medical and recreational purposes, is no longer regulated by the *Controlled Drugs and Substances Act* (Canada) and the *Access to Cannabis for Medical Purposes Regulations* (Canada) has been repealed and concurrently restated as Part 14 of the Federal Regulations.

Pursuant to the Federal Regulations, cannabis products require plain packaging and must be labelled with mandatory health warnings, a standardized cannabis symbol and specific information about the product. The Federal Regulations also set out strict requirements with respect to logos, colours and branding.

The Federal Cannabis Act grants the provincial and municipal governments the authority to prescribe regulations regarding retail and distribution (including advertising), as well as the ability to alter some of the existing baseline requirements, such as increasing the minimum age for purchase and consumption. Provincial and territorial governments in Canada have made varying announcements on the proposed regulatory regimes for the distribution and sale of cannabis for recreational purposes. For example, Saskatchewan and Manitoba have chosen a private sector model for distribution, whereas Alberta, British Columbia, Newfoundland and Labrador, Northwest Territories, Nunavut and Ontario have opted to pursue a hybrid approach of public and private sale and distribution.

On December 20, 2018, Health Canada launched its regulatory consultation for proposed amendments (the “**Proposal**”) to the Federal Regulations and the Federal Cannabis Act. Under the Proposal, “edible cannabis”, “cannabis extracts”, and “cannabis topicals” would be added as three new classes of cannabis that would be permitted for sale under the Federal Cannabis Act. The Proposal also contains amendments to the Federal Regulations that establish regulatory controls to address the public health and public safety risks associated with these new classes of cannabis, including restrictions on ingredients and product composition, THC limits, packaging and labelling requirements, good production practices and record keeping requirements. Health Canada has declared that the objective of the Proposal is to ensure that a strict regulatory framework is in place by no later than October 17, 2019, to address the unique public health and public safety risks posed by edible cannabis, cannabis extracts, and cannabis topicals. The consultation period with respect to the Proposal closed on February 20, 2018 and it is expected that the three new cannabis products will be permitted for sale no later than October 17, 2019.

The impact of these regulatory changes on our business is unknown, and the proposed regulatory changes and distribution models may not be implemented at all. See “*Risk Factors*”.

Alberta Cannabis Framework

On November 30, 2017, the Government of Alberta passed Bill 26, which contains the regulatory framework for recreational cannabis sales in Alberta. Bill 26 amends the *Gaming and Liquor Act* (Alberta) to become the Alberta Cannabis Act, which governs the purchase, distribution, sale and consumption of recreational cannabis in the province. Under the Alberta Cannabis Act, cannabis distribution in Alberta is carried out through a hybrid retail model under the oversight of the AGLC. The cannabis distribution framework in the Alberta Cannabis Act provides that private retailers are able to open Licensed Retail Stores in Alberta, such as those to be operated by the Company upon obtaining Retail Licences from the AGLC. The Alberta Cannabis Act further states that online distribution of cannabis is restricted to the AGLC.

On February 16, 2018, the Government of Alberta released the Alberta Regulations establishing regulations for the sale of recreational cannabis in Alberta, including the licensing of privately owned retail cannabis stores. The Alberta Regulations stipulate, among other restrictions, that:

1. no one person can have more than 15% of Retail Licences in Alberta and no group of persons can have more than 15% of Retail Licences in Alberta where, in the opinion of the AGLC, Retail Licences are or would likely be subject to common control in any material respect;
2. cannabis retailers are required to hire individuals that are over eighteen years of age, have successfully completed training requirements set by the AGLC, and that have passed a criminal background check;
3. Licensed Retail Stores cannot be located within 100 meters of a provincial health care facility or a school;
4. Licensed Retail Stores cannot be open outside the hours of 10 a.m. and 2 a.m.;
5. Licensed Retail Stores must implement inventory tracking, count and sales systems and security measures, including alarms, video surveillance and secured product storage;
6. cannabis consumption at Licensed Retail Stores is prohibited;
7. cannabis suppliers and their representatives cannot offer, nor can retail cannabis licencees accept, perks such as loans, money, rebates, concessions, discounts, furnishings, storage equipment, fixtures, decorations, signs, supplies or anything of value; and
8. transfers of Retail Licences are prohibited, and any change in ownership of a Licensed Retail Stores business must be preapproved by the AGLC.

The Alberta Cannabis Act and the Alberta Regulations came into effect on October 17, 2018 concurrently with the legalization of recreational cannabis.

On November 21, 2018, the AGLC announced a temporary halt on accepting new applications or issuing any additional Retail Licences in order to manage cannabis supply. The AGLC also announced that it would continue to process current Retail Licence applications under existing standard procedures, and will maintain a queue of approved applicants on a first-in, first-out basis for licensing once the halt is lifted.

As at the date hereof, the AGLC has issued 101 Retail Licences.

Ontario Cannabis Framework

Ontario initially passed legislation in 2017 that contemplated distribution of recreational cannabis through a limited number of government stores controlled the OCRC, a Crown agency of the Government of Ontario. The provincial election in June 2018 brought into power a new government that immediately

announced its plan to adopt a hybrid approach of public and private sale and distribution. Since its announcement, the government has been executing a tightly regulated private retail model for cannabis, which launched on April 1, 2019. Since legalization on October 17, 2018, adults in Ontario have been able to purchase recreational cannabis exclusively through the online retail platform provided by the OCRC.

On October 17, 2018, the Government of Ontario passed Bill 36, pursuant to which the Ontario Control Act and the Ontario Retail Corporation Act were amended and the Ontario Licence Act was enacted. Under Bill 36, the OCRC is, and will remain, the exclusive online retailer of cannabis in Ontario and is the exclusive wholesaler and distributor of cannabis products to Licensed Retail Stores as of April 1, 2019.

The Cannabis Licence Act and its regulations came into force on November 16, 2018. The Ontario Licence Act establishes the licensing scheme for prospective Licensed Retail Stores in Ontario, which is administered by the AGCO. The AGCO has the authority to license, regulate and enforce the sale of recreational cannabis in Licensed Retail Stores in Ontario. Pursuant to the Ontario Licence Act and its regulations, in order to open and operate a Licensed Retail Store in Ontario, retailers must have a retail operator licence (“**Operator Licence**”), (ii) a retail store authorization (“**Store Authorization**”) and (iii) a cannabis retail manager licence (“**Manager Licence**”). An Operator Licence holder is permitted to operate one or more Licensed Retail Stores in Ontario, provided that a separate Store Authorization has been obtained for each Licensed Retail Store. Each Licensed Retail Store must have an individual that holds a Manager Licence, unless the retailer is a sole proprietor or is in a partnership with two or more individuals and will be both the licensed operator and performing the duties of the retail store manager for a particular Licensed Retail Store.

The AGCO intended to start accepting an unlimited number of applications for licences and authorizations on December 17, 2018. However, due to the national shortage of cannabis supply, the Government of Ontario introduced changes to the licensing process whereby Licensed Retail Stores will open in phases. The Government has granted the AGCO the authority to authorize up to 25 Licensed Retail Stores in the initial phase. The Government of Ontario amended the Ontario Licence Regulation and assigned the AGCO the mandate to hold the Lottery to determine who may apply for the initial 25 Retail Licences. The Ontario Licence Regulation divides the province of Ontario into five regions and allocates the 25 Store Authorizations among those regions as follows: Toronto Region – 5; GTA Region – 6; East Region – 5; North Region – 2; and West Region – 7 (as such terms are defined in the Ontario Licence Regulation). Applicants who wished to participate in the Lottery were able to submit an Expression of Interest Application, online, from January 7 to January 9, 2019. The Lottery was held on January 11, 2019 and 25 of the 17,320 Lottery entrants were selected.

As at the date hereof, the AGCO has issued 21 Operator Licences and 19 Store Authorizations, and 19 of the 25 selected Lottery entrants have received both.

Canadian Recreational Cannabis Market

Deloitte LLP has published two reports to date on the opportunity that legalizing cannabis presents to the Canadian economy. In its inaugural report in 2016, *Recreational Marijuana, insights and opportunities* (the “**2016 Deloitte Report**”), Deloitte LLP evaluated the total industry potential with a view to understanding public opinion, consumption trends and retail opportunity. The results of the 2016 Deloitte Report revealed that 22% of the Canadian adult population consumes cannabis recreationally on at least an occasional basis, with 7% consuming on a daily basis. A further 17% of Canadian adults showed some willingness to try cannabis if it were legal, suggesting that the total potential marketplace is close to 40% of the Canadian adult population.

In its second report in 2018, *A society in transition, an industry ready to bloom* (the “**2018 Deloitte Report**”), Deloitte LLP examined how cannabis consumption levels would change after legalization, what kinds of products consumers would be interested in, and how and from where they’d be inclined to purchase. According to the 2018 Deloitte Report, the legal recreational cannabis market is expected to generate sales of up to \$4.34 billion in 2019. The cannabis spend overall is also expected to rise by up to

58%, owing primarily to the fact that prices for legal products will be higher. Other notable findings in the 2018 Deloitte Report include:

- (a) There is considerable interest in edible cannabis products as six out of 10 likely cannabis consumers are expected to choose edible products.
- (b) Current and likely cannabis consumers are expected to purchase the majority of their products through physical retail locations, while about one-third will also buy products online through approved retailers' websites.
- (c) Legalization of recreational cannabis will create a new type of cannabis consumer who is older than today's typical consumer (aged 35 to 54 versus 18 to 34), better educated (university or graduate school education versus high school or college education), less of a risk taker and likely to consume cannabis less frequently (less than once a month versus several times a week).

The Company intends to participate in the recreational cannabis market. However, no assurance can be provided that the Company will be able to participate in the recreational cannabis market, design products and service the market segments in which it may compete, or establish or maintain profitability. See "*Risk Factors*".

RISK FACTORS

Investors should carefully consider the risk factors set out below and consider all other information contained herein and in the Company's other public filings before making an investment decision. The risks set out below are not an exhaustive list, and should not be taken as a complete summary or description of all the risks associated with the Company's business and the cannabis business generally.

Risk Factors Generally Related to the Company

Listing on the TSXV and the FSE

The Company must meet continuing listing requirements to maintain the listing of the Common Shares on the TSXV and the FSE. The inability to meet the continuing listing requirements could adversely affect the Company's results of operations or financial condition.

Reliance on Key Personnel

The Company's success depends largely on certain key personnel. The ability of the Company to retain qualified staff and obtain services in a timely and cost-efficient manner may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. Currently, the Company does not have any key person insurance in effect. The contributions of the Management Team to the Company and Company's operations will be of central importance. In addition, the competition for qualified personnel in the cannabis industry is intense and there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of our business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the Management Team.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects.

Additional Funding Requirements

The Company's current cash balance and future cash flow from its operations may not be sufficient to fund its ongoing activities at all times. From time to time, the Company may require additional financing in order to carry out its retail-focused cannabis business strategy. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If the Company's current cash balance and future cash flow from its operations is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on favorable terms.

Capital Lending Markets

As a result of recent economic uncertainties in the cannabis industry, the Company may have reduced access to bank debt and to equity. As future capital expenditures will be financed out of funds generated from operations, bank borrowings, if available, and possible issuances of debt or equity securities, the Company's ability to fund future capital expenditures is dependent on, among other factors, the overall state of lending and capital markets and investor and lender appetite for investments in the cannabis industry, generally, and the Company's securities in particular.

To the extent that external sources of capital become limited, unavailable or available only on onerous terms, the Company's ability to invest and to maintain existing assets may be impaired, and its assets, liabilities, business, financial condition and results of operations may be materially and adversely affected as a result.

Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may increase the Company's debt levels above industry standards. Neither the Company's articles of incorporation nor its by-laws limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. The Company's ability to meet its debt service obligations will depend on the Company's future operations which are subject to prevailing industry conditions and other factors, many of which are beyond the control of the Company. As certain of the indebtedness of the Company would bear interest at rates which fluctuate with prevailing interest rates, increases in such rates would increase the Company's interest payment obligations and could have a material adverse effect on the Company's financial condition and results of operations. Further, the Company's indebtedness would be secured by substantially all of the Company's assets. In the event of a violation by the Company of any of its loan covenants or any other default by the Company on its obligations relating to its indebtedness, the lender could declare such indebtedness to be immediately due and payable and, in certain cases, foreclose on the Company's assets.

Expansion into New Activities

The operations and expertise of the Company's management are currently focused on developing a sustainable retail cannabis business across Canada. In the future, the Company may acquire or move into new industries or new geographical areas, may acquire different cannabis related assets, and as a result may face unexpected risks or alternatively, significantly increase the Company's exposure to one or more existing risk factors, which may in turn result in the Company's future operational and financial conditions being adversely affected.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Company may disclose confidential information relating to the business, operations or affairs of the Company.

Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach could put the Company at competitive risk and may cause significant damage to its business. The harm to the Company's business from a breach of confidentiality cannot presently be quantified, but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Company will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Conflicts of Interest

Directors and officers of the Company may also be directors and officers of other companies involved in the retail cannabis industry, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under the ABCA.

Dilution

The Company may make future acquisitions or enter into financings or other transactions involving the issuance of its securities which may be dilutive.

Third Party Credit Risk

The Company is, or may be, exposed to third party credit risk through the Company's contractual arrangements with its current or future partners, marketers and other parties. In the event such entities fail to meet their contractual obligations to the Company, such failures could have a material adverse effect on the Company and its cash flow from operations.

Political Uncertainty

To the extent that certain political actions taken in North America, Europe and elsewhere in the world result in a marked decrease in free trade, access to personnel and freedom of movement, it could have an adverse effect on the Company's ability to market products internationally, increase costs for goods and services required for operations, reduce access to skilled labour and negatively impact business, operations, financial conditions and the market value of the Common Shares.

Forward-Looking Information May Prove to be Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Legal Proceedings

In the normal course of the Company's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to personal injuries, property damage, property tax, land rights, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Company and as a result, could have a material adverse effect on the Company's assets, liabilities, business, financial condition and results of operations.

Risk Factors Related to the Company's Retail-Focused Cannabis Business Strategy

Change in Cannabis Laws, Regulations and Guidelines

Activities in the retail cannabis industry are subject to a variety of laws, regulations and guidelines relating to the distribution, possession, sale, advertisement, packaging, health, safety, purchasing and consumption of cannabis products under a Retail Licence and the operation, physical structure and security of Licensed Retail Stores.

These laws and regulations are broad in scope, subject to evolving interpretations and may change in ways currently unforeseen by the Company. If any changes to such laws, regulations and guidelines occur, which are matters beyond the control of the Company, the Company's future activities in the industry may incur significant costs in complying with such changes or it may be unable to comply therewith, which in turn may result in a material adverse effect on the Company's business, financial condition and results of operation. In addition, violations of these laws, or allegations of such violations, could disrupt certain aspects of the Company's business strategy and result in a material adverse effect on certain aspects of its planned operations.

The Federal Cannabis Act and the Federal Regulations prohibit testimonials, lifestyle branding and packaging that is appealing to youth. The restrictions on advertising, marketing and the use of logos and brand names could have a material adverse impact on the Company's proposed business, financial condition and results of operation.

The legislative framework pertaining to the Canadian recreational cannabis market is evolving and the impact thereof remains uncertain. The governments of every Canadian province and territory are executing, to varying degrees, on the regulatory regimes for the distribution and sale of cannabis for recreational use announced by each jurisdiction. There is no guarantee that provincial legislation regulating the distribution and sale of cannabis for recreational use will be enacted according to all the terms announced by such provinces and territories, or at all, or that any such legislation, if enacted, will create the growth opportunities that the Company currently anticipates. Any of the foregoing could result in a material adverse effect on the Company's business, financial condition and results of operations.

Operation Licences, Permits and Authorizations

The recreational cannabis industry is in its early development stage and restrictions on sales and marketing activities imposed by Health Canada, the AGLC, the AGCO, various medical associations, other governmental or quasi-governmental bodies or voluntary industry associations may adversely affect the Company's ability to conduct sales and marketing activities and could have a material adverse effect on the Company's business, operating results or financial condition.

At present, the Company does not have any Retail Licences. The Company may not be able to obtain or maintain the necessary licenses, permits, authorizations or accreditations, or may only be able to do so at great cost, to operate its retail business. In addition, the Company's activities may not be able to comply fully with the wide variety of laws and regulations applicable to the cannabis industry. Failure to comply with or to obtain the necessary licenses, permits, authorizations or accreditations could result in restrictions on the Company's ability to operate in the cannabis industry, which could have a material adverse effect on the Company's business.

Competition

The Company intends to develop a retail cannabis business across Canada by establishing Licensed Retail Stores. The cannabis retail industry is highly competitive, with a large number of potential entrants competing for limited Retail Licences and available real estate locations, and current licensees competing for cannabis products. The Company faces intense competition from other companies, some of which can be expected to have more financial resources and marketing experience than the Company. Increased

competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Company.

To remain competitive, the Company requires a continued high level of investment in hiring, training and retention of marketing, sales and customer service staff. The Company may not have sufficient resources to retain and train marketing, sales and customer service staff on a competitive basis which could materially and adversely affect the business, financial condition and operating results of the Company.

The Company also faces competition from illegal cannabis dispensaries that are selling cannabis to individuals despite not having a valid Retail Licence. Many illegal dispensaries are still in operation, providing the Company with additional competition.

Cannabis Retail Licences

The retail and distribution model in each province and territory in Canada will have an impact on the Company's operations. Each of the Canadian provinces and territories is responsible for implementing its own legislation to regulate the sale of cannabis. Provincial legislation may vary in material respects, including the minimum age to buy cannabis, cannabis products available for sale and whether cannabis will be sold by government boards, licensed private retailers or both.

The number of Retail Licences that are currently being issued are limited. As of the date hereof, the licensing process by the AGLC has been temporarily suspended due to the national shortage of cannabis supply. The AGLC has maintained a queue of approved retailers that will be issued Retail Licences on a first-in, first-out basis if and when the suspension is lifted. In Ontario, the government introduced changes to the licensing process whereby Licensed Retail Stores will open in phases. The AGCO is authorized to issue a maximum of 25 Licensed Retail Stores in the initial phase. Twenty-five Lottery entrants have been selected and wait lists have been formed for each of the five regions established in the Ontario Licence Regulation. The temporary suspension of the issuance of Retail Licences in Alberta and the limited Retail Licences issuable in Ontario has had, and will continue to have, an impact on the Company's ability to obtain Retail Licences across Canada and could materially and adversely affect the business, financial condition and operating results of the Company.

Client Acquisition and Retention

The Company's success will depend on its ability to attract and retain consumers. There are many factors which could impact the Company's ability to attract and retain consumers, including but not limited to the Company's ability to continually supply and sell desirable and quality product. The Company's failure to acquire and retain consumers would have a material adverse effect on the business, financial condition and operating results of the Company.

Unfavorable Publicity or Consumer Perception

Management of the Company believes the cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of cannabis sold. Consumer perception of cannabis products may be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the recreational cannabis industry or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for cannabis products and the business, results of operations, financial condition and cash flows of the Company. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the business, results of operations, financial condition and cash flows of the Company. Further, adverse publicity reports or other media attention regarding the

safety, efficacy and quality of cannabis products or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Further, the parties with which the Company conducts business may perceive that they are exposed to reputational risk as a result of the Company's cannabis business activities. Affected relationships could include, without limitation, those with real estate personnel, marketers and bankers. For example, the Company may in the future have difficulty establishing or maintaining bank accounts or other business relationships with firms choosing to not invest in the cannabis industry. Failure to establish or maintain business relationships could have a material adverse effect on the Company.

Proprietary Market Research

The Company must rely largely on its own market research to forecast sales as the research relating to the recreational cannabis market is not yet available. A failure in the demand for cannabis products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the Company's business, results of operations and financial condition.

Commodity Taxes and Government Mark-Ups

Changes in tax rates or government mark-ups, and their corresponding effect on product pricing, could affect sales and/or earnings. If taxes or government mark-ups increase and the Company increases prices by the full amount of the tax or the mark-up, as the case may be, sales volumes could be adversely impacted. If the Company is not able to pass the full amount of the tax or mark-up increase on to consumers, then gross margins and earnings could be adversely impacted. There can be no assurance that governments will not change tax or mark-up rates in the future.

Supply of Cannabis Products

Cannabis retailers are dependent on the supply of cannabis products from Licensed Producers. There can be no assurance that there will be a sufficient supply of cannabis available to the Company to purchase and to operate its business. Licensed Producers' growing operations are dependent on a number of key inputs and their related costs, including raw materials and supplies. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact Licensed Producers and, in turn, the Company's financial condition and operating results. Any inability of Licensed Producers to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the Company's business, financial condition and operating results.

Profitability of Cannabis Retail Outlets

Once opened, the Company's Licensed Retail Stores may not be profitable due to a number of factors, including the expectation that provincial cannabis regulatory bodies will initially set standard pricing levels (for example, the AGLC and the OCRC have control over all online sales in Alberta and Ontario, respectively), and their pricing will have an impact in determining the margin on sales of cannabis products. As well, edible cannabis, cannabis extracts, and cannabis topicals products are not yet permitted for sale in Canada, and unless and until that occurs, the product range available for sale is limited. If any Licensed Retail Stores remain unprofitable for a prolonged period of time, the Company may decide to close these stores. The Company cannot assure that new Licensed Retail Stores opened by the Company will not fail. The closures of these stores could have a negative impact on the Company's proposed business and operating results.

Moreover, the Company may broaden new store activity to incorporate trade areas or store sites in which it will have little or no prior experience. The risks relating to building a customer base and managing development and operating costs may be more significant in some or all of these types of trade areas or

store sites, which could have an unexpected negative impact on the Company's proposed business. Opening Licensed Retail Stores in such areas may expose the Company to new challenges, including reliance on the strength of other companies, the potential that its stores are a poor fit for the non-traditional markets into which they enter and possible negative publicity regarding the retail stores or other locations in which they operate, each of which may cause a downturn in their business and in turn may have a negative impact on the Company's proposed business and operating results.

Shelf Life Inventory

The Company intends to carry comestible finished goods at its Licensed Retail Stores and such inventory will have a shelf life. Comestible finished goods in inventory may include herbal cannabis and cannabis oil products. Even though it is the intention of the Company's management to review the amount of inventory on hand in the future, write-down of inventory may still be required from time to time. Any such write-down of inventory could have a material adverse effect on the Company's proposed business, financial condition and results of operations.

Operating Risk and Insurance Coverage

The Company maintains commercial general liability insurance and will add insurance to protect the operations and inventory suitable for a retailer for any Licensed Retail Store the Company opens. While the Company believes its insurance coverage addresses all material risks to which it is exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Safety and Health Regulations

The Company's retail cannabis operations will be subject to employee health and safety laws and regulations. The Company will incur ongoing costs and obligations related to compliance with employee health and safety matters. Failure to comply with health and safety laws and regulations may result in additional costs for corrective measures and penalties or in restrictions on the Company's retail operations. In addition, changes in employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations or give rise to material liabilities, which could have a material adverse effect on the Company's business, results of operations and financial condition.

Liability, Enforcement Complaints, etc.

The Company's participation in the cannabis industry may lead to litigation, formal or informal complaints, enforcement actions and inquiries by various federal, provincial, or local governmental authorities against the Company or its activities. Litigation, complaints and enforcement actions involving either the Company or its activities could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Difficulty Transitioning and Growing a Business

There can be no assurance that the Company will be successful in the implementation of its retail-focused cannabis business strategy. The Company's transition to a cannabis retail business may be subject to growth-related risks including capacity constraints and pressure on the Company's internal systems and controls.

Available Talent Pool

The implementation of the Company's retail-focused cannabis business strategy requires employing personnel with cannabis expertise. However, experienced talent in the marketing and sales of cannabis may be limited and there can be no assurance that the appropriate individuals will be available or affordable to the Company. Without adequate personnel and expertise, the implementation of the Company's retail cannabis business may suffer.

Additional information on the risks, assumptions and uncertainties are found in this AIF under the heading "*Forward-Looking Statements*" above.

DIVIDENDS

The Company has not declared or paid any dividends since incorporation. Any decision to pay dividends on the Common Shares or the First Preferred Shares, if issued, will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions existing at the relevant time.

DESCRIPTION OF SHARE CAPITAL

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of First Preferred Shares, issuable in series. As at December 31, 2018, there were 670,064,847 Common Shares, nil First Preferred Shares, nil Options and 139,980,618 Warrants issued and outstanding, of which 10,000,000 Warrants were issued pursuant to the 2016 Private Placement and the remaining 129,980,618 were issued pursuant to the Private Placement and the Rights Offering. In connection with the Change in Management and Board, all outstanding Former Options were exercised or terminated prior to June 28, 2018. See "*General Development of the Business – Three Year History – Financial Year Ended December 31, 2018*" above.

Common Shares

Subject to the rights of holders of any other class, or series of any class, of shares of the Company to have separate meetings, holders of Common Shares are entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Company and to one vote in respect of each Common Share held at such meetings. Holders of Common Shares are entitled to receive dividends if, as and when declared by the Board out of the assets of the Company in such amounts and payable in such manner as the Board may from time to time determine. Subject to the rights of holders of First Preferred Shares and any other class of shares of the Company entitled to receive dividends in priority to or concurrently with holders of Common Shares, the Board may in its sole discretion declare dividends on Common Shares to the exclusion of any other class of shares of the Company. In the event of the liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs, holders of Common Shares will, subject to the rights of holders of First Preferred Shares and any other class of shares of the Company entitled to receive assets of the Company upon such a distribution in priority to or concurrently with holders of Common Shares, be entitled to participate in the distribution. Such distribution will be made in equal amounts per share on all Common Shares at the time outstanding without preference or distinction.

First Preferred Shares

First Preferred Shares may at any time and from time to time be issued in one or more series. Subject to the following provisions, the Board may from time to time before the issue thereof fix the number of shares in, and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series of First Preferred Shares. First Preferred Shares are entitled to priority over Common Shares and all other shares ranking junior to First Preferred Shares with respect to the payment of dividends and the distribution of assets of the Company in the event of any liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs. First Preferred Shares of each series will rank on a parity with First

Preferred Shares of every other series with respect to priority in the payment of dividends and in the distribution of assets of the Company in the event of any liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding up its affairs.

MARKET FOR SECURITIES

Trading Price and Volume

Since January 7, 2019, the Common Shares have been listed on the TSXV under the name “Solo Growth Corp.™” and the symbol “SOLO”. The following table sets the price range and trading volume of the Common Shares, as previously listed under the name “Aldershot Resources Ltd” and the symbol “ALZ”, for the period from February 1, 2018 to December 31, 2018, as reported by the TSXV:

<u>Month</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
2018			
February	0.040	0.035	311455
March	0.055	0.03	386700
April	0.06	0.045	208702
May	0.055	0.04	243454
June	0.215	0.13	13,062,661
July	0.23	0.16	11,152,244
August	0.2	0.13	6,356,464
September	0.45	0.19	12,342,052
October	0.32	0.085	33,714,891
November	0.175	0.06	36,506,924
December	0.07	0.045	35,059,368

Prior Sales

No securities of the Company that are outstanding but not listed or quoted on a marketplace were issued during the most recently completed financial year of the Company, except as follows:

<u>Issue Date</u>	<u>Transaction</u>	<u>Number and Type of Securities</u>	<u>Exercise Price per Security</u>
June 28, 2018	Private Placement	116,980,000 Warrants	\$0.05 per Common Share
December 17, 2018	Rights Offering	13,000,618 Warrants	\$0.05 per Common Share

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table summarizes details of the Company’s securities of each class held in escrow or that are subject to a contractual restriction on transfer as of the date hereof:

<u>Designation of Class</u>	<u>Number of Securities Held in Escrow</u>	<u>Percentage of Class⁽¹⁾</u>
Common Shares	94,220,000	14.06%
Warrants	93,520,000	66.81%

Note:

- (1) Based on 670,064,847 Common Shares and 139,980,618 Warrants issued and outstanding as of the date hereof.

The Escrowed Securities are held in escrow by the Escrow Agent, Computershare, pursuant to the Escrow Agreement. In addition to the resale restrictions of applicable securities laws, the Escrowed Securities are subject to the Escrow Agreement which imposes a contractual restriction on transfers. Pursuant to the Escrow Agreement, the Escrowed Securities will be held in escrow and released in accordance with the schedule applicable under a Tier 2 Value Security Escrow Agreement.

DIRECTORS AND OFFICERS

The names, municipality of residence and principal occupation during the last five years of each of the directors and officers of the Company as of the date hereof are as follows:

Name and Municipally of Residence	Principal Occupation During the Past 5 years	Director and/or Officer Since	Position(s) Presently Held
Theodore Zurich <i>Calgary, Alberta</i>	Principal, Investment Banking at Eight Capital (formerly Dundee Capital Markets) from December 2016 until July 2018. Prior thereto, Associate, Vice President of Dundee Capital Markets from August 2012 until December 2016.	March 12, 2019 (August 1, 2018)	President, Chief Executive Officer and Director (formerly Vice President, Corporate Development)
Stephanie Bunch <i>Calgary, Alberta</i>	Vice President, Business Performance and Finance Lead, Mergers and Acquisitions of Centrica Energy (Direct Energy Marketing Limited) from May 2013 until September 2017.	June 28, 2018	Vice President, Finance and Chief Financial Officer
Sanjib (Sony) Gill <i>Calgary, Alberta</i>	Partner at Stikeman Elliott LLP, a national law firm.	June 28, 2018	Corporate Secretary
Richard McHardy ⁽³⁾ <i>Calgary, Alberta</i>	President and Chief Executive Officer of Spartan Energy Corp. from December 2013 until May 2018.	June 28, 2018	Director
Ron Hozjan ⁽²⁾ <i>Calgary, Alberta</i>	Vice President, Finance and Chief Financial Officer of Tamarack Valley Energy Ltd. since 2010.	June 28, 2018	Director
Shahin (Sonny) Mottahed ⁽²⁾ <i>Calgary, Alberta</i>	Chief Executive Officer, co-founder and a director of 51st Parallel Inc. President, Chief Executive Officer and Chairman of Target Capital Inc. d.b.a CBI ² Capital. Chief Executive Officer and a Managing Partner of Black Spruce Merchant Capital.	June 28, 2018	Director
Michael Stark ⁽²⁾⁽³⁾ <i>Calgary, Alberta</i>	Chairman of Spartan Energy Corp. from December 2013 to May 2018.	June 28, 2018	Director
James Miller ⁽³⁾ <i>Calgary, Alberta</i>	President of Boarder Capital Inc. since May 2013.	June 28, 2018	Director

Notes:

- (1) On March 12, 2019, Pali Bedi resigned as President, Chief Executive Officer and a director of the Company and Jasbir Hans resigned as Vice President, Operations.
- (2) Member of the Company's audit committee.
- (3) Member of the Company's corporate governance and compensation committee.

As at the date hereof, the directors and officers of the Company, and their associates and affiliates, as a group, whether beneficial, direct or indirect, own 44,220,000 Common Shares, representing approximately 7.0% of the currently outstanding Common Shares.

The directors listed above will hold office until the Meeting or until their successors are elected or appointed.

Cease Trade Orders

No director or executive officer of the Company is, or within ten years prior to the date of this AIF has been, a director, a chief executive officer or a chief financial officer of any company (including the Company), that:

- a. was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (collectively, an “**Order**”), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- b. was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No director, executive officer or, to the best of the Company’s knowledge, any shareholder holding a sufficient number of securities of the Company to affect materially control of the Company, is, or within ten years prior to the date of this AIF has been, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has, within the past ten years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties or Sanctions

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and/or officers of other reporting and non-reporting issuers, which may give rise to conflicts of interest. In accordance with corporate laws, directors who have an interest in a contract or a proposed contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors of the Company have other employment or other business or time restrictions placed on them and accordingly, these directors of the Company will only be able to devote part of their time to the affairs of the Company. In particular, certain of the directors and officers are involved in managerial and/or director positions with other cannabis companies whose

operations may, from time to time, provide financing to, or make equity investments in, competitors of the Company. Conflicts will be subject to the procedures and remedies available under the ABCA. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA. Except as disclosed herein, the Company is not aware of any existing or potential material conflicts of interest between the Company and any director or officer of the Company as of the date hereof.

Mr. Gill, Corporate Secretary of the Company, is a partner of the national law firm Stikeman Elliott LLP, which law firm renders legal services to the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the best of the Company's knowledge, since the beginning of the most recently completed fiscal year, there have not been any legal proceedings to which the Company has been a party or of which any of its properties have been the subject matter, nor are any such proceedings known to the Company to be contemplated.

To the best of the Company's knowledge, since the beginning of the most recently completed fiscal year, there have not been any penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decisions, and the Company has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the best of the Company's knowledge, there are no material interests, direct or indirect, of directors or executive officers of the Company, any shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any known associate or affiliate of such persons, in any transaction within the three most recently completed financial years of the Company or during the current financial year which has materially affected, or is reasonably expected to materially affect, the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Computershare at its principal offices in Calgary, Alberta and Toronto, Ontario.

MATERIAL CONTRACTS

No material contracts entered into by the Company within the most recently completed financial year or before the most recently completed financial year are still in effect.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Company during, or related to, the year ended December 31, 2018 other than KPMG LLP, the auditors of the Company.

KPMG LLP are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed in the relevant professional bodies in Canada and any applicable legislation or regulation.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or any associate or affiliate of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's information circular for the Company's most recent Shareholders' meeting that involved the election of directors. Additional financial information is contained in the Company's consolidated financial statements and the related management's discussion and analysis for the year ended December 31, 2018.