Fortress Global Enterprises Inc.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING AND MANAGEMENT INFORMATION CIRCULAR

Time: May 28, 2019, at 3:00 p.m. (Vancouver Time)

Place: **1000 - 925 West Georgia Street**
Vancouver, British Columbia
Canada

FORTRESS GLOBAL ENTERPRISES INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 28, 2019

TO: The Shareholders of Fortress Global Enterprises Inc.

NOTICE IS HEREBY GIVEN that the annual general and special meeting of shareholders of Fortress Global Enterprises Inc. (the "**Corporation**") will be held at 1000 - 925 West Georgia Street, Vancouver, British Columbia, Canada, on Tuesday, May 28, 2019, at 3:00 p.m. (Vancouver time) (the "**Meeting**"), for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2018, together with the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at a maximum of five;
3. to elect directors of the Corporation for the ensuing year;
4. to consider and approve an ordinary resolution authorizing and approving all unallocated units issuable pursuant to the Corporation's 2016 Long-Term Incentive Plan;
5. to consider and approve an ordinary resolution authorizing and approving all unallocated options issuable pursuant to the Corporation's Amended and Restated Stock Option Plan (the "**SOP**") and certain previously exercised options by way of cashless exercise to again be made available for issuance under the SOP;
6. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration; and
7. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice of Meeting is the management information circular, a form of proxy and a financial statement request form.

Registered shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out therein and in the management information circular accompanying this Notice of Meeting. A proxy will not be valid unless it is received by Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

DATED at Vancouver, British Columbia, this 26th day of April, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Joe Nemeth
Joe Nemeth
Chairman

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

MANAGEMENT INFORMATION CIRCULAR

*UNLESS OTHERWISE NOTED, INFORMATION IS PROVIDED AS AT APRIL 26, 2019 FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 28, 2019 (THE "**MEETING**").*

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by management of Fortress Global Enterprises Inc. (the "Corporation") for use at the Meeting and at any adjournment(s) or postponement(s) thereof, at the time and place and for the purposes set forth in the accompanying notice of meeting dated April 26, 2019 (the "Notice of Meeting").

It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by officers of the Corporation at nominal cost. The cost of this solicitation will be borne by the Corporation. The Notice of Meeting, form of proxy (the "**Proxy**") together with a financial statement request form and this Information Circular will be mailed to beneficial owners of Class A common shares of the Corporation ("**Common Shares**") commencing on or about April 29, 2019. In this Information Circular, except where otherwise indicated, all dollar amounts are expressed in Canadian currency.

RECORD DATE

The board of directors of the Corporation (the "**Board**") has set the close of business on April 15, 2019, as the record date (the "**Record Date**") for determining which shareholders of the Corporation shall be entitled to receive notice of and to vote at the Meeting. Only shareholders of record as of the Record Date are entitled to receive notice of and to vote at the Meeting, unless after the Record Date a shareholder of record transfers his, her or its Common Shares and the transferee (the "**Transferee**"), upon establishing that the Transferee owns such Common Shares, requests in writing, at least ten days prior to the Meeting or at any adjournment(s) or postponement(s) thereof, that the Transferee may have his, her or its name included on the list of shareholders entitled to vote at the Meeting. In such case, the Transferee, upon fulfilling the necessary requirements, will be entitled to vote such shares at the Meeting. Such written request by the Transferee shall be filed with the Corporate Secretary of the Corporation at 2nd Floor, 157 Chadwick Court, North Vancouver, British Columbia, Canada V7M 3K2.

APPOINTMENT OF PROXYHOLDERS

The persons named in the accompanying Proxy as proxyholders are management's representatives. A shareholder of the Corporation wishing to appoint some other person or company (that need not be a shareholder of the Corporation) to represent him, her or it at the Meeting may do so either by striking out the printed names and inserting the desired person or company's name in the blank space provided in the Proxy or by completing another Proxy and, in either case, delivering the completed Proxy to the office of Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s), thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

VOTING OF PROXIES

If the Proxy is completed, signed and delivered to the Corporation, the person(s) named as proxyholder therein shall vote or withhold from voting the Common Shares in respect of which they are appointed as proxyholder at the Meeting in accordance with the instructions of the shareholder of the Corporation appointing them, on any show of hands and/or on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the person(s) appointed as proxyholder shall vote accordingly. The Proxy confers discretionary authority upon the person(s) named therein with respect to: (a) each matter or group of matters identified therein for which a choice is not specified; (b) any amendment to or variation of any matter identified therein; and (c) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Information Circular, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting. However, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the person(s) voting the Proxy.

If no choice is specified by a shareholder of the Corporation with respect to any matter identified in the Proxy or any amendment or variation to such matter, it is intended that the persons designated by management in the Proxy will vote the shares represented thereby in favour of such matter.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are "non-registered shareholders" because the shares they own are not registered in their name but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans); or (b) in the name of a clearing agency or depository (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of applicable securities laws, the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the Proxy together with a financial statement request form (collectively, the "**Meeting Materials**") to the depositories and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

(a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the Proxy, this Proxy is not required to be signed by the Non-Registered Holder when submitting the Proxy. In this case, the Non-Registered Holder who wishes to submit the Proxy should otherwise properly complete the Proxy and deliver it to the offices of the Corporation; or

(b) more typically, be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a proxy authorization form) which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder's name in the blank space provided, or in the case of a proxy authorization form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered.**

REVOCABILITY OF PROXY

Any shareholder of the Corporation returning the enclosed Proxy may revoke the same at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing duly executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and delivered either to Computershare Investor Services Inc. or to the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or with the chairperson of the Meeting prior to the commencement of the Meeting. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation's authorized capital consists of an unlimited number of Common Shares without par value and an unlimited number of Class B preferred shares with a par value of $1,000 having the preferences, rights, conditions, restrictions, limitations and prohibitions set forth in the articles of the Corporation (the "**Articles**"). As at the Record Date, there were a total of 14,963,228 Common Shares of the Corporation outstanding. Each Common Share entitles the holder thereof to one vote. No Class B preferred shares were outstanding as at the Record Date.

The following table lists, to the knowledge of management of the Corporation, those persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation as at the date hereof.

Name	Number of Common Shares	Percentage of Common Shares
Chadwick Wasilenkoff(1)	2,334,702	15.60%

(1) As at the date hereof, Mr. Wasilenkoff also has options to purchase 422,911 Common Shares, and 126,785 deferred share units representing one Common Share per unit.

ELECTION OF DIRECTORS

At the Meeting, the shareholders will be asked to consider and, if thought advisable, approve an ordinary resolution setting the number of directors to be elected at a maximum of five.

The Board is recommending five persons (the "**Nominees**") for election at the Meeting. Each of the Nominees whose name appears below is proposed by the Board to be nominated for election as a director of the Corporation to serve until the next annual general meeting of the shareholders or until the director sooner ceases to hold office.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), the Board has unanimously adopted a majority voting policy (the "**Majority Voting Policy**") whereby, at uncontested shareholder meetings, any nominee for director who has more votes withheld than are voted in favour of him or her shall submit his or her resignation to the Board for consideration following the meeting. The Corporate Governance and Compensation Committee shall consider the offer of resignation and shall recommend to the Board whether or not to accept it. The Board shall review and act on the Corporate Governance and Compensation Committee's recommendation within 90 days following the applicable meeting and shall promptly disclose, via press release, its decision whether to accept the director's resignation offer. If the Board declines to accept the resignation, it will include in the applicable press release the reasons for its decision. The Board will be expected to accept the resignation except in situations where exceptional circumstances would warrant the director to continue to serve on the Board. If a resignation is accepted, the Board may, in accordance with the *Business Corporations Act* (British Columbia) and the Articles and previously-passed shareholders' resolutions, appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board. In the event that any director who received a majority withheld vote does not tender his or her resignation in accordance with the Majority Voting Policy, he or she will not be re-nominated by the Board.

The Board has adopted, and the shareholders of the Corporation have approved, an advance notice policy (the "**Advance Notice Policy**") setting out requirements for director nominations and elections. See "*Corporate Governance – Advance Notice Policy*".

The following table states the names of each Nominee, all offices of the Corporation now held by him, his present principal occupation, the period of time for which he has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, province and country of residence	Present principal occupation	Current and former position(s) with the Corporation (if applicable)	Director since	Number of securities held
Joe Nemeth (1) (2) British Columbia, Canada	Corporate director	Chairman	October 17, 2012	Common Shares: 20,400 Deferred Share Units: 148,009
Anil Wirasekara (2) (3) (4) British Columbia, Canada	Executive Vice President of Maxar Technologies Ltd., formerly MacDonald Dettwiler and Associates Ltd.	Director	May 3, 2013	Common Shares: 25,000 Deferred Share Units: 108,878
Terrence P. Kavanagh (1) (2) Ontario, Canada	Business consultant. Previously, Mr. Kavanagh held the position of President of Tembec SAS, a subsidiary of Tembec Inc.	Director	June 13, 2014	Deferred Share Units: 92,608
Gerald Gaetz (3) (4) Ontario, Canada	President and Chief Executive Officer of Payments Canada	Director	January 4, 2016	Common Shares: 8,000 Deferred Share Units: 74,121
Ezra Gardner (2) (3) (4) Colorado, USA	Partner and co-founder of Varana Capital LLC	Director	August 5, 2016	Common Shares: 1,459,515(5) Deferred Share Units: 33,819

(1) A member of the Capital Projects and Environmental, Health & Safety Committee.
(2) A member of the Corporate Governance and Compensation Committee.
(3) A member of the Audit Committee.
(4) A member of the Finance Committee.
(5) As at the date hereof, Mr. Gardner beneficially owns 28,700 Common Shares directly and exercises control and direction over 1,430,815 Common Shares through Varana Capital LLC. Mr. Gardner also beneficially owns $100,000 principal amount of the Corporation's 9.75% convertible unsecured subordinated debentures due in 2021.

STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to applicable securities legislation, the Corporation is required to provide a summary of all annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the most recently completed financial year in respect of the individuals comprised of the President and Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**") and the other three most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeds $150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an executive officer at the end of the most recently completed financial year (the "**Named Executive Officers**" or "**NEOs**").

Compensation Discussion and Analysis

The goal of the Corporation's executive compensation philosophy is to attract, motivate, retain and reward an energetic, goal driven, highly qualified and experienced management team and to encourage them to meet and exceed performance expectations within a calculated risk framework. The compensation program is designed to reward each executive based on individual, business and corporate performance and is also designed to incentivize such executives to drive the annual and long-term business goals of the organization to enhance the sustainable profitability and growth of the Corporation.

The following key principles guide the Corporation's overall compensation philosophy:

- Compensation is designed to align executives to the critical business issues facing the Corporation;
- Compensation is fair and reasonable to shareholders and is set with reference to domestic and international markets and similar positions in comparable companies, and benchmarked against an international peer group;
- The compensation design supports and rewards executives for entrepreneurial and innovative efforts and results;
- A substantial portion of total compensation is at-risk and linked to individual efforts, as well as business and corporate performance. This ensures the link between executive pay and business performance of the Corporation;
- An appropriate portion of total compensation is equity-based, aligning the interests of executives with shareholders; and
- Compensation is transparent to the Board, executives and shareholders.

In achieving these principles, the Corporation strives to be flexible and progressive in its business strategies and must meet the challenges of growth, competition, foreign currency fluctuations and general economic conditions. Therefore, the Corporation's compensation programs aim to:

- Provide for an ongoing review and assessment of compensation practices to ensure that they align with the business strategy and performance;
- Maintain management focus, knowledge, stability and experience needed to execute business strategies in an intensely competitive environment;
- Encourage capital allocation decisions involving major long-term capital investments and acquisitions which shape and determine future growth and profitability;
- Encourage transactions which optimize shareholder value; and
- Reward exceptional contributions to the performance of the Corporation based on achievements that are within management's control.

Specific components of the compensation program include, but are not limited to:

- Placing a significant amount of compensation at-risk in the form of short and long-term incentives;
- Setting specific performance metrics and targets that must be achieved in order for short-term incentives to be paid out;
- Capping potential payouts under the short-term incentive plan, subject to Board discretion;
- Capping short-term incentive payouts at no more than 50% of applicable targets in the event of negative EBITDA performance or failure to generate positive free cash flow from operations;
- Incentivizing extraordinary performance by setting stretch targets which offer up to 150% of applicable targets;

- Regularly reviewing the applicability and relevance of the peer group used to benchmark executive compensation;
- Benefits and perquisites that are set at competitive levels, but represent a small portion of total executive compensation;
- Regularly reviewing the risk inherent in the Corporation's compensation programs to ensure they do not encourage excessive risk-taking;
- Having employment agreements in place with all NEOs to protect knowledge obtained while at the Corporation;
- Not allowing stock options to be re-priced once they have been granted; and
- Having non-excessive severance obligations for NEOs commensurate with their position.

Elements of Executive Compensation

The elements of compensation earned by the NEOs for the financial year ended December 31, 2018 included annual compensation in the form of base salary, perquisites and a benefits package, as well as long-term compensation in the form of stock options ("**Options**"), restricted share units ("**RSUs**") and performance share units ("**PSUs**").

The following tables outline how each element of compensation aligns with the Corporation's compensation philosophy.

Short-term Compensation

Element of compensation	Summary and purpose of element
Base Salary	Base salary is the foundation of the compensation program and is intended to compensate competitively relative to the Corporation's peer group. Base salary is a fixed component of the compensation program and is used as the base to determine elements of incentive compensation and benefits. The desire is for base salary to be high enough to secure talented personnel which, when coupled with performance based compensation, provides for a direct correlation between individual accomplishment and the success of the Corporation as a whole.
Annual Bonus	Annual bonuses are variable components of compensation, designed to reward executives for corporate, business and individual achievements. It is expressed in terms of a percentage of base salary and paid out at the end of the fiscal year based on individual and business performance results. Annual bonuses are discretionary and are designed to reflect the Corporation's or business segment's annual achievement of the business strategy as well as the individual's achievements. Annual bonus opportunities are positioned at or above median against the peer group, to reflect the Corporation's commitment to pay for performance.
Other Compensation *(Perquisites, Benefits and Pension Plan)*	The Corporation's executive benefits program includes supplementary life, medical, dental and disability insurance. The President and CEO of the Corporation (formerly the President of Fortress Specialty Cellulose Inc. ("**FSC**")) and other Québec-based executives participate in a defined contribution pension plan maintained at the FSC mill (the "**FSC Mill**"). The President and CEO, CFO and certain employees of the Corporation are eligible to participate in the Corporation's self-directed registered retirement savings plan ("**RRSP Matching Program**"). The Corporation matches contributions made by employees up to the lesser of $10,000 or 50% of the limits imposed by the relevant tax authorities. Perquisites are provided to executives in certain instances, based on individual circumstances. Benefits and perquisites are designed to be market competitive, but not to form a meaningful component of total compensation.

Long-term Compensation

Element of compensation	Summary and purpose of element
Options	The Corporation believes that this long-term incentive vehicle aligns executives with shareholders by driving growth in the share price and increasing long-term value of the Corporation. Options issued pursuant to the Corporation's Amended and Restated Stock Option Plan (the "**SOP**") are intended to help the Corporation attract, motivate and retain an energetic, goal driven management team, and to build long-term employee loyalty and retention. The Corporation issues Options to encourage executives to have equity participation through the acquisition of Common Shares. Options granted may have vesting conditions and generally have a term of five to ten years.
RSUs	The Corporation believes that RSUs issued pursuant to the Corporation's Long-Term Incentive Plan (the "**LTIP**") promote ownership in the Corporation and serve to align the interests of executives with shareholders. They also help the Corporation motivate and retain the executive team, while providing a full share value unit in the business. Each RSU represents one notional Common Share that can be exchanged for Common Shares issued from treasury once certain performance and/or vesting criteria have been met. RSUs generally vest in the short to medium term, subject to the discretion of the Board. RSUs may contain performance-based vesting conditions which are determined based upon the strategic objectives for the growth and business goals of the Corporation and sometimes include the operating performance of the Corporation and other organizational indicators and individual achievements that demonstrate a contribution by the executive to the Corporation. RSUs could be decreased or forfeited altogether if performance targets are not met.
PSUs	The Corporation believes that the PSUs issued under its LTIP, are designed to encourage retention and performance of officers, senior management and other employees. Each PSU represents one notional Common Share that can be exchanged for Common Shares issued from treasury once certain performance criteria have been met. PSUs typically vest over one to three years of the date of the reward. PSUs contain specified individual performance-based vesting conditions which are determined based upon the strategic objectives for the growth and business goals of the Corporation and may include the operating performance of the Corporation and other organizational indicators and individual achievements that demonstrate a contribution by the executive to the Corporation. PSUs may be decreased, or forfeited altogether, if performance targets are not met, or increased if performance targets are exceeded.

In order to further promote ownership in the Corporation and serve and align the interests of certain executives with shareholders, the Corporation has adopted a share ownership policy. See "*Corporate Governance – Share Ownership Policy*".

Pursuant to the Corporation's Insider Trading Policy and administrative policies, directors and executive officers including the NEOs are restricted from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the director, executive officer or NEO where such individual does not own the underlying security. Further, such individuals are required to "pre-clear" any trade in the Corporation's securities with the CFO to ensure the Corporation is not in a blackout period where trading would be restricted.

Compensation Risk Management

The Corporation has taken steps to ensure its executive compensation program does not incentivize risk outside the Corporation's acceptable risk management threshold. Some of the risk management initiatives employed by the Corporation in respect of the 2018 financial year are as follows:

- Appointing a Corporate Governance and Compensation Committee comprised of independent directors to oversee the executive compensation program and ensure certain initiatives are undertaken by management to monitor its risk profile;

- Retaining advisors, as necessary, to provide advice on compensation structure for executives;
- Setting performance hurdles and milestones for granting and payout of RSUs and bonuses;
- The use of deferred equity compensation to encourage a focus on long-term corporate performance versus short-term results;
- Paying out performance-related equity compensation only when performance results or milestones are achieved;
- Setting caps on incentive programs, subject to Board discretion; and
- Use of discretion in adjusting bonus payments up or down as the Corporate Governance and Compensation Committee deems appropriate and recommends.

Annual Compensation Review Process

Each year, the Corporate Governance and Compensation Committee reviews and recommends to the Board for approval the compensation of the President and CEO and CFO. The Corporate Governance and Compensation Committee also reviews and recommends to the Board the compensation of other executives, which include the NEOs.

The Corporate Governance and Compensation Committee follows a process for establishing compensation for its executive team. In making its compensation recommendations, the Corporate Governance and Compensation Committee considers competitive market data based on the Corporation's peer group and the size and scope of the executive roles. The Corporate Governance and Compensation Committee has, from time to time, retained independent executive compensation and governance advisory firms to provide additional analysis and assessment to ensure the compensation program is fair and competitive. Board input is also solicited and taken into consideration in the Corporate Governance and Compensation Committee's decision making.

Executive compensation for the NEOs in 2018 was based on market data and an assessment of corporate and individual performance. These factors support compensation levels with the aim to ensure the Corporation remains competitive and continues to attract, retain and motivate high caliber leaders.

The Corporate Governance and Compensation Committee may also rely on other information and considerations in formulating its recommendations to the Board.

Peer Group

The Corporation is an international company, unique in the products and services it offers. Executives are benchmarked to a global peer group of companies from the dissolving pulp sector as well as companies of similar size from other related industries such as commercial services and supplies, containers and packaging and real estate investment trusts. This approach reflects the expected global aspect of the Corporation's operations, and the need to attract executives from a global talent pool. It also recognizes that executives can come from multiple industries. The primary peer group is reviewed annually based on criteria including the similarity in size to the Corporation (primarily from the perspective of total assets and total revenue, but also considering other factors such as market capitalization) and the similarity in scope of operations in terms of industry and geographic location. Primary peer group companies for 2018 included Rayonier Advanced Materials Inc., Canfor Pulp Products Inc., Mercer International Inc., Western Forest Products Inc., Borregaard ASA, Lenzing Aktiengesellschaft, Sappi Limited and Klabin S.A.

Role of the Corporate Governance and Compensation Committee and 2018 Work Plan

The role of the Corporate Governance and Compensation Committee is to discharge the Board's duties related to executive compensation. In 2018, the Corporate Governance and Compensation Committee held a total of five scheduled meetings and an ad hoc meeting. The Corporate Governance and Compensation Committee meets both independently of management of the Corporation and with management present. In 2018, the Corporate Governance and Compensation Committee completed the following:

- Implemented a temporary policy for the 2018 fiscal year for directors of the Corporation to receive only deferred share units ("**DSUs**") under the LTIP in lieu of fees (see "*Compensation of Directors*");

- Negotiated and settled an employment agreement with Mr. Mark Kirby as President of the Corporation's wholly-owned subsidiary, S2G Biochemicals Inc. ("**S2G**") (see "*2018 Compensation Decisions – President of S2G Compensation*");

- Negotiated and settled an employment agreement with Mr. Iadeluca providing for the promotion of Mr. Iadeluca from President of the Corporation's wholly-owned subsidiary, FSC, to President and CEO of the Corporation, together with the orderly transition of the former President, CEO and Chairman role (see "*2018 Compensation Decisions – President and Chief Executive Officer Compensation*"); and

- The appointment of Mr. Nemeth as Chairman of the Board.

Role of the Executive Officers

The President and CEO completed a review of the individual performance of each of the other NEOs and made recommendations to the Corporate Governance and Compensation Committee in respect of 2018 bonuses and equity compensation for each of the other NEOs, which was taken into consideration by the Corporate Governance and Compensation Committee in completing its review and making recommendations to the Board. Each NEO is provided with annual performance milestones specific to such individual's role with the Corporation, against which the review is conducted and recommendations made. Corporate performance may also impact compensation decisions, with negative Operating EBITDA (defined below) results potentially limiting variable compensation to up to 50% of the target amount. See "*2018 Compensation Decisions*".

2018 Compensation Decisions

The Corporation's business strategy is to enhance its market position as a dissolving pulp manufacturer, to diversify into other business segments, to evaluate and execute strategic transactions and to improve operating results and margins.

Significant accomplishments in the 2018 fiscal year included:

- Successfully negotiating and completing the acquisition of all of the issued and outstanding common shares of S2G for an aggregate purchase price of $2.5 million and establishing the new Bioproducts Segment, as well as integrating the ongoing hemicellulose project to coincide with the bioproducts project;

- Completing and commissioning the fifth digester, which is expected to incrementally increase production capacity at the FSC Mill by 8,500 air dried metric tonnes ("**ADMT**") in 2018 and 17,000 ADMT in 2019, compared to current production capacity;

- Receiving confirmation that the Governments of Canada and Québec have committed in aggregate up to $27.4 million in investments, grants and loans to the new Bioproducts Segment, subject to completion of definitive documentation, to support the construction of the xylitol and complementary bioproducts demonstration plant planned for the FSC Mill;

- Entering into a Technology License and Collaboration Agreement with Mondelēz International, Inc. ("**Mondelēz**"), one of the world's largest snacking companies, whereby Mondelēz has granted an exclusive worldwide license to the Corporation to use its sugar based bioproduct manufacturing technology that was jointly developed by Mondelēz and S2G, in connection with the bioproducts project;

- Obtaining the approval of holders of its 7.0% convertible unsecured subordinated debentures due December 31, 2019 (the "**Debentures**") in respect of certain amendments to the Debentures, including (a) extending the maturity date of the Debentures from December 31, 2019 to December 31, 2021, (b) increasing the interest rate of the Debentures from 7.0% per annum to 9.75% per annum, and (c) incorporating certain restrictive covenants; and

- Entering into certain amendments to the outstanding loan with Investissement Québec to provide enhanced financial flexibility for the Corporation.

The Corporation considers operating net income before interest, income taxes, depreciation, amortization, non-operating income and expenses and stock based compensation ("**Operating EBITDA**") as an indicative measure of operating performance and a good metric to evaluate profitability, provided that an appropriate capital budget responsibility is held within a conservative variance. Pursuant to the Corporation's Compensation Philosophy, subject to existing contractual agreements, annual bonuses shall be limited to 50% of target for all NEOs if the Corporation fails to achieve positive Operating EBITDA or positive free cash flow in such year, unless the Board approves otherwise.

Certain previously granted awards containing performance conditions relating the Corporation's financial results for the year are reviewed and assessed.

President and Chief Executive Officer Compensation

In 2018, the Corporation negotiated and entered into a three year employment agreement with Mr. Iadeluca providing for the promotion of Mr. Iadeluca from President of FSC to President and CEO of the Corporation (the "**Executive Employment Agreement**"). Effective December 5, 2018 (the "**Effective Date**"), Mr. Iadeluca assumed the role of President and CEO of the Corporation upon the resignation of Mr. Wasilenkoff. Pursuant to the Executive Employment Agreement, the President and CEO received a signing bonus of $100,000 and shall receive a base salary of $600,000 together with an annual pension allowance. The President and CEO is eligible to receive an annual cash target bonus (the "**Annual Bonus**") of up to 100% of his base salary, subject to Board discretion, and up to a maximum of 150% of base salary if certain corporate and individual performance milestones are achieved or materially exceeded in any given financial year. The President and CEO shall also receive a one-time long-term equity incentive grant (the "**Equity Incentive**") of up to 325,000 RSUs pursuant to the LTIP, based upon the Corporation meeting specific Common Share price targets ranging from $5.00 to $15.00. Accordingly, key elements of the President and CEO's compensation package are aligned to the long-term success of the Corporation. In addition, provided that the President and CEO is in good standing and the Executive Employment Agreement has not been earlier terminated, he shall be entitled to receive an annual retention bonus (the "**Retention Bonus**"), to be paid in cash and RSUs, which shall be equal to $50,000 plus 25,000 RSUs. The cash Retention Bonus and the RSUs shall be issued two business days following the release of the Corporation's annual audited financial statements for the financial year ended December 31, 2019 and 2020, as applicable, and the RSUs shall vest six months subsequent to the date of issuance.

Mr. Chadwick Wasilenkoff, the former President and CEO, assisted with the orderly transition of his role with the Corporation to Mr. Iadeluca and is entitled to payments pursuant to the terms of his employment agreement, as amended. The resignation of Mr. Wasilenkoff and the promotion of Mr. Iadeluca coincided with the Corporation's shift in corporate strategy to a primary focus on operational excellence, with the goal of improving operating and financial results and streamlining production at the FSC Mill.

President of S2G Compensation

In 2018, the Corporation, through S2G, negotiated and entered into an employment agreement Mr. Kirby, pursuant to which Mr. Kirby shall serve as President of S2G for an annual base salary of $200,000. Mr. Kirby shall also be eligible to receive an annual discretionary bonus of up to 25% of his base salary based upon his performance and the performance of S2G. In addition, Mr. Kirby received $150,000 of PSUs, which shall vest upon the achievement of certain performance milestones related to the completion of the Bioproducts Segment demonstration plant within certain timing and budgetary parameters, and provided that Mr. Kirby remains an employee in good standing. The Board shall also have the discretion to allow for the vesting of a reduced portion of such PSUs in the event such milestones are not met, but the demonstration plant is completing within six months after the scheduled date of September 30, 2020 and no more than 15% over budget, and to increase the number of PSUs to up to 1.5 times the PSUs granted if the milestones are exceeded. On March 25, 2019, the PSUs issued to Mr. Kirby were cancelled by mutual agreement.

Determination of Base Salary

The Corporate Governance and Compensation Committee determines each executive's base salary with reference to relevant industry norms, experience, past performance and level of responsibility. In doing so, the Corporate Governance and Compensation Committee considers the recommendations made by the President and CEO for increases to base salary from levels set in applicable employment agreements. Salary levels are reviewed yearly and the Corporate Governance and Compensation Committee may recommend adjustments, if warranted, as a result of salary trends in the marketplace, competitive positioning or an increase in responsibilities assumed by an executive.

Determination of Annual Bonus

The NEOs are eligible for annual cash bonuses and potentially supplemental bonuses in cash or through stock-based compensation, taking into consideration financial performance and attainment of corporate, business and individual objectives. Extraordinary corporate events are also considered. After performance is considered, all awards are at the discretion of the Board.

From time to time, the Board may declare an additional cash bonus or stock-based compensation in favour of one or more executive officers in circumstances where it is determined that the executive in question has made an exceptional contribution to the performance of the Corporation in a particular year.

Pursuant to the terms of his employment agreement, Mr. Iadeluca, as President of FSC, received $40,000 worth of RSUs for achieving certain performance targets in respect of the FSC Mill's operating results.

The 2018 annual short-term incentive plan performance framework is summarized in the following table:

	Chadwick Wasilenkoff	Giovanni Iadeluca	Kurt Loewen
Target Bonus (% of Base)	100%	40%	40%
Maximum Bonus (% of Base)	150%	60%	60%
Operational Excellence (weight)	50%	80%	50%
Special Projects (weight)	30%	10%	30%
Board Discretion (weight)	20%	10%	20%

Determination of Long-Term Incentive Plan Award

The Corporate Governance and Compensation Committee also considers making awards under the LTIP and grants of Options under the SOP to be important components of executive compensation. The objective of making grants under the LTIP or the SOP is to encourage employees to acquire an ownership interest in the Corporation over a period of time, thus better aligning the interests of employees with the interests of shareholders, and to retain key employees. When determining possible future grants under the LTIP and the SOP, the Corporate Governance and Compensation Committee considers past grants. The Black-Scholes model is used to determine the fair value at grant date of the Options. Option pricing models require the input of subjective assumptions, particularly as to the expected volatility of the stock. Expected volatility is based on historical stock performance of the Corporation. Changes in these assumptions can materially affect the fair value estimate and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Corporation's Option grants. The Corporation uses an option-pricing model because there is no market for which Options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that a holder of Options might receive if the Options were freely-traded, nor to assume that these amounts are the same as those reported by the executive as income received for tax purposes. For financial statement purposes, the fair value of Options is contributed surplus over the vesting period, whereas for the purpose of this Information Circular the fair value is shown in totality on the date of grant.

Compensation Governance

The Corporate Governance and Compensation Committee, currently entirely comprised of independent directors, is responsible for the development, implementation and monitoring of the Corporation's compensation policy for executive officers and members of the Board and ensuring that the Corporation meets applicable legal, regulatory and self-regulatory business principles and "codes of best practice" of corporate behavior and conduct. The Corporate Governance and Compensation Committee is currently comprised of Terrence Kavanagh (Chair), Joe Nemeth, Anil Wirasekara and Ezra Gardner. The Corporate Governance and Compensation Committee is able to retain consultants to assist them in the determination of executive compensation decisions if they deem necessary.

The members of the Corporate Governance and Compensation Committee have direct experience relevant to executive compensation from their broad business experience and are well-versed in executive compensation matters. The Chair of the Corporate Governance and Compensation Committee has direct experience, through his previous experience as an executive, of recommending executive compensation structures and individual pay decisions. The members similarly bring a wide range of skills and experience that helps them make decisions in respect of the Corporation's compensation policies and practices and assess performance on both an individual and an organizational level. These skills and experiences include, but are not limited to:

- Industry knowledge;
- Operational and human resources experience;
- Financial knowledge; and
- International business experience.

The Corporate Governance and Compensation Committee is responsible for making recommendations to the Board on the following items:

- Directors' compensation, including the adequacy and form of compensation and models used so that director compensation appropriately reflects the responsibilities and risks of being a director and/or member of a committee;

- Executive compensation policy, including the relative balance of fixed and variable elements of compensation for executive officers and other terms and conditions of employment of executive officers;
- Supplemental or deferred compensation and direct incentive compensation arrangements for executive officers;
- Value awards made to an executive officer under a performance-based plan, allowing adjustment for actual performance;
- Hiring, appointing and terminating of officers, executives and other key employees;
- Advising the Board with respect to filling vacancies on the Board and making recommendations as to nominees for the Board; and
- Managing the corporate governance systems of the Board.

The Corporate Governance and Compensation Committee has the authority and access to the resources that are necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants.

In 2019, given the shift in the Corporation's management and business focus, GGA was engaged to review the Corporation's compensation philosophy, strategy, principles and objectives and derive an appropriate comparator peer group of companies for compensation benchmarking purposes, as well as to provide a compensation review for directors and executive officers of the Corporation.

Fees paid to GGA for assisting in determining compensation during the 2018 and 2017 fiscal years are set forth in the table below.

Year	**Executive compensation-related fees ($)**	**All other fees ($)**
2018	N/A	N/A
2017	27,877	5,853[1]

[1] Represents fees related to the review by GGA of the Corporation's Management Information Circular.

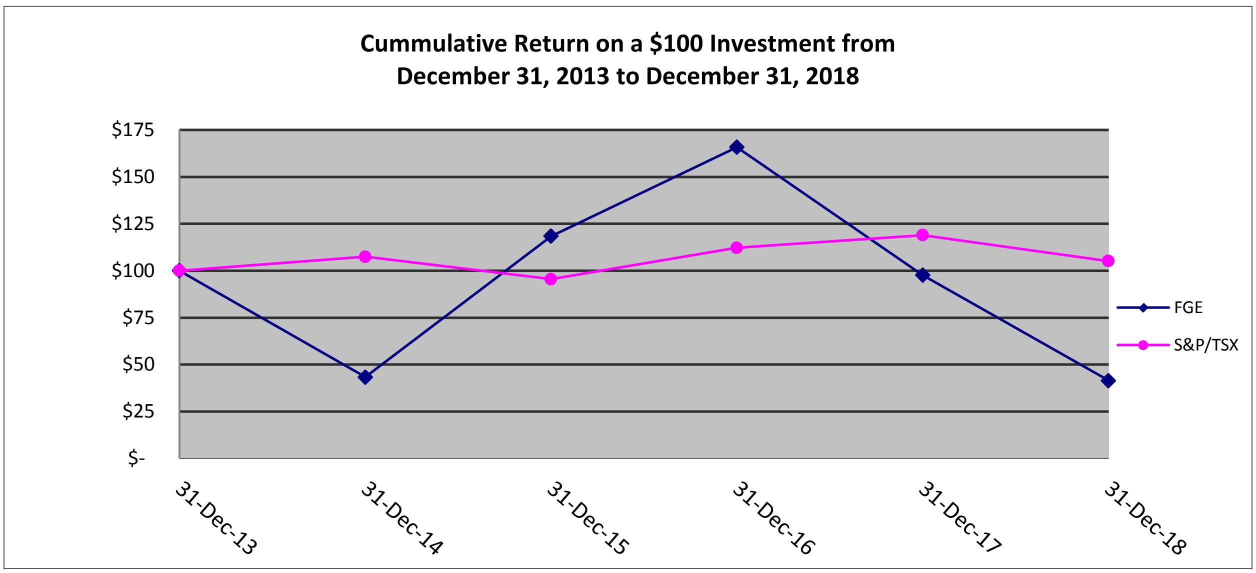
The Corporate Governance and Compensation Committee reviews all fees and the terms of consulting services provided by its compensation consultants and other advisors.

The foregoing report is submitted by:

Terrence Kavanagh (Chair)
Joe Nemeth
Anil Wirasekara
Ezra Gardner

Performance Graph

Subsequent to the Corporation's change of name to "Fortress Global Enterprises Inc.", the Corporation's Common Shares began trading on the TSX under the symbol "FGE" on February 1, 2018. Previously, the Corporation's Common Shares traded under the symbol "FTP". The following graph compares the Corporation's cumulative total shareholder return on its Common Shares with the cumulative total return on the S&P/TSX Composite Index for the period from December 31, 2013 to December 31, 2018. The graph illustrates the cumulative return on a $100 investment in the Corporation's Common Shares made on December 31, 2013 as compared with the cumulative return on a $100 investment in the S&P/TSX Composite Index (assuming the reinvestment of dividends). The performance of the Common Shares as set out in the graph below does not necessarily indicate future price performance. The NEOs' compensation is determined in accordance with the principles set forth above and is not specifically based on the performance of the Common Shares on the TSX, since the price of the Common Shares is affected by external factors beyond the Corporation's and the NEOs' control. Consequently, the Corporation cannot establish a direct relation between executive compensation and the price of the Common Shares over the period covered by the performance graph. During such period, NEOs' salaries reflect their respective scope of responsibilities, skills, experience and contribution to the Corporation's performance.



Comparison of Cumulative Total Return

As at December 31,	2013	2014	2015	2016	2017	2018
FGE	$100	$43	$118	$166	$98	$41
S&P/TSX COMPOSITE INDEX	$100	$107	$96	$112	$119	$105

Summary Compensation Table for Named Executive Officers

The following table provides the name of each NEO, his annual compensation, consisting of salary, bonus and other annual compensation, and long-term compensation, for example Options and LTIP awards granted, for the most recently completed financial year of the Corporation.

					Non-equity incentive plan compensation ($)				
Name and principal position	Year	Salary ($)	Share-based awards ($)[1]	Option-based awards ($)	Annual incentive plans[2]	Long-term incentive plans	Pension value ($)	All other compensation ($)	Total compensation ($)
Giovanni Iadeluca[3] President and Chief Executive Officer	2018	376,020	39,999[4]	Nil	28,000	Nil	19,167	100,000[5]	563,186
	2017	352,701	Nil	Nil	Nil	Nil	17,631	N/A	370,332
	2016	87,571	Nil	Nil	18,585	Nil	4,779	N/A	110,935
Chadwick Wasilenkoff Former Chairman, Chief Executive Officer and President	2018	668,315[6][7]	Nil	Nil	249,422	Nil	N/A	1,055,575[8]	1,973,312
	2017	714,230	Nil	1,117,732	Nil	Nil	N/A	N/A	1,831,962
	2016	882,480	Nil	Nil	200,000	Nil	N/A	1,000,000	2,082,480
Kurt Loewen Chief Financial Officer	2018	285,000	Nil	Nil	61,560	Nil	N/A	N/A	346,560
	2017	285,000	Nil	Nil	Nil	Nil	N/A	N/A	285,000
	2016	285,000	Nil	Nil	114,000	Nil	N/A	N/A	399,000
Mark Kirby[9] President and Chief Executive Officer, S2G Biochemicals Inc.	2018	150,000	149,997[10]	Nil	10,000	Nil	N/A	N/A	309,997
Marco Veilleux Vice President, Business Development and Strategic Projects	2018	217,941	29,998[11]	Nil	20,250	Nil	13,494	N/A	281,683
	2017	215,326	29,999	Nil	Nil	Nil	12,377	N/A	257,702
	2016	215,322	29,999	Nil	53,831	Nil	12,211	N/A	311,363

(1) The closing price of the Common Shares on the date of grant was used to determine fair value.
(2) Amounts represent annual cash bonuses awarded to the NEO in respect of the financial year.
(3) Mr. Iadeluca was appointed President and CEO of the Corporation on December 5, 2018. Previously, Mr. Iadeluca was President of FSC.
(4) Mr. Iadeluca was granted 13,333 RSUs valued at $3.00, which vested on February 9, 2019. See "*Compensation Discussion and Analysis – 2018 Compensation Decisions – Determination of Annual Bonus*".
(5) Mr. Iadeluca received a signing bonus of $100,000 pursuant to the Executive Employment Agreement. See "*Compensation Discussion and Analysis – 2018 Compensation Decisions – President and Chief Executive Officer Compensation*".
(6) Mr. Wasilenkoff resigned as Chairman, CEO and President of the Corporation on December 5, 2018 but remained as a Director of the Corporation.
(7) Amount indicated includes compensation received pursuant to the terms of his employment agreement, as amended, in the amount of $662,827 and director fees in the amount of $5,488 in respect of services rendered after December 5, 2018. The amount reported represents the approximate Canadian dollar equivalent, converted at the average daily noon exchange rate for the 2018 fiscal year being $1.2957 to each United States dollar based on rates provided by the Bank of Canada.
(8) Pursuant to the terms of his employment agreement, as amended, Mr. Wasilenkoff received an aggregate annual allowance of $45,575 and a severance payment of $1,000,000. Mr. Wasilenkoff also received $10,000 pursuant to the Corporation's RRSP Matching Program.
(9) Mr. Kirby was appointed as CEO and President of S2G on March 23, 2018.
(10) Mr. Kirby was granted 42,979 PSUs in respect of the 2018 financial year which were valued at $3.49. These PSUs were subsequently cancelled on March 25, 2019 by mutual agreement. See "*Compensation Discussion and Analysis – 2018 Compensation Decisions – President of S2G Compensation*".
(11) Mr. Veilleux was granted 9,230 RSUs in respect of the 2018 financial year which were valued at $3.25 and vest on April 23, 2021.

Outstanding Share-based Awards and Option-based Awards for Named Executive Officers

Name and principal position	Option-based awards				Share-based awards		
	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money Options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Giovanni Iadeluca President and Chief Executive Officer	Nil	N/A	N/A	N/A	13,333	23,333	N/A
Chadwick Wasilenkoff Former Chairman, Chief Executive Officer and President	200,000 84,150[(1)] 201,508 21,403	15.41 8.20 6.00 3.50	August 30, 2022 March 22, 2022 May 15, 2022 March 19, 2023	Nil	126,785	221,874	N/A
Kurt Loewen Chief Financial Officer	Nil	N/A	N/A	N/A	Nil	N/A	N/A
Mark Kirby President and Chief Executive Officer, S2G Biochemicals Inc.	Nil	N/A	N/A	N/A	42,979[(2)]	75,213	N/A
Marco Veilleux Vice President, Business Development and Strategic Projects	Nil	N/A	N/A	N/A	21,652	37,891	N/A

(1) Mr. Wasilenkoff was granted 84,150 Options on March 22, 2017. The Options were subsequently cancelled on March 22, 2019 as a result of their vesting conditions not being achieved.
(2) Mr. Kirby was granted 42,979 PSUs on March 23, 2018. The PSUs were subsequently cancelled on March 25, 2019 by mutual agreement.

The table above states, as at December 31, 2018, the number of Options available for exercise, the Option exercise price, the expiration date for each Option, the number of units under the LTIP that were outstanding and unvested and the market value thereof, for each NEO named therein. As at December 31, 2018, the value of in-the-money unexercised and outstanding Options held by the NEOs was nil and the value of unvested and outstanding units under the LTIP was $358,311.

Incentive Plan Awards - Value Vested or Earned for the Financial Year for Named Executive Officers

Name and principal position	Option-based awards – value vested during the year ($)[(1)]	Share-based awards – value vested during the year ($)[(2)]	Non-equity incentive plan compensation – value earned during the year ($)[(3)]
Giovanni Iadeluca, President and Chief Executive Officer	N/A	Nil	28,000
Chadwick Wasilenkoff Former Chairman, Chief Executive Officer and President	Nil	Nil	249,422
Kurt Loewen Chief Financial Officer	N/A	75,050	61,560
Mark Kirby President and Chief Executive Officer, S2G Biochemicals Inc.	N/A	Nil	10,000
Marco Veilleux Vice President, Business Development and Strategic Projects	N/A	42,949	20,250

(1) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date, based on the difference between the closing price of the Common Shares on the TSX and the exercise price on such vesting date.
(2) The amount represents the aggregate dollar value of units under the LTIP that vested during the 2018 financial year.
(3) The amount represents the annual bonus received by the NEOs in respect of the 2018 fiscal year.

During the most recently completed financial year, the NEOs did not exercise Options to purchase Common Shares of the Corporation under the SOP.

During the most recently completed financial year, there were 22,563 RSUs and 42,979 PSUs awarded to key employees under the LTIP. As at December 31, 2018, there were 57,109 unvested RSUs and 42,979 PSUs outstanding under the LTIP. The PSUs were subsequently cancelled in March 2019 by mutual agreement. The fair value of RSU awards is determined based upon the number of Common Shares underlying such units and the closing price of the Common Shares, as quoted on the TSX, on the date immediately prior to the date of grant. RSUs generally vest over the short to medium term, however the fair value of each tranche is measured at the date of grant.

Pension Plan Benefits - Defined Contribution Plan for Named Executive Officers

The Corporation maintains a defined contribution plan at the FSC Mill providing pension benefits based on earnings and length of service. The plan provides that an employee may contribute up to 8% of his or her salary and the employer will contribute 50% of the employee's contribution plus 3% to a maximum of 7% of the employee's salary.

Name and principal position	Accumulated value at start of year ($)	Compensatory ($)	Accumulated value at year end ($)
Giovanni Iadeluca, President and Chief Executive Officer	32,425	19,167	58,826
Marco Veilleux Vice President, Business Development and Strategic Projects	194,204	13,494	219,091

Termination and Change of Control Benefits and Employment Contracts

Giovanni Iadeluca

For a description of Mr. Iadeluca's Executive Employment Agreement, see "*Compensation Discussion and Analysis – 2018 Compensation Decisions – President and Chief Executive Officer Compensation*".

Pursuant to the Executive Employment Agreement, if Mr. Iadeluca's employment is terminated within three months of a change in control, other than for cause, Mr. Iadeluca shall be entitled to a lump sum cash payment immediately following such termination equal to his: (a) base salary plus any accrued benefits and accrued vacation; and (b) a pro rata portion of his annual discretionary bonus equal to the amount last awarded to Mr. Iadeluca, not including any one-time awards. In addition, the Board has discretion to decide whether Mr. Iadeluca shall be fully and immediately vested in any unvested RSUs and other unvested equity awards granted by the Corporation to Mr. Iadeluca, including the unvested portion of the Equity Incentive, if any, and the unvested Retention Bonus, if any.

If Mr. Iadeluca's employment is terminated for any reason, other than for cause or in connection with a change of control, he will be entitled to a severance payment equal to his base salary plus any accrued benefits and accrued vacation plus the pro rata portion of his discretionary bonus calculated based on his preceding year's annual discretionary bonus, not including any one-time award. Mr. Iadeluca will also receive any unpaid cash portion of the Retention Bonus. If the Corporation terminates Mr. Iadeluca's employment by giving him the required notice or payment in lieu thereof, the Board has discretion to decide whether RSUs held by Mr. Iadeluca will vest immediately. In the event Mr. Iadeluca terminates his Employment Agreement, the Corporation and Mr. Iadeluca may agree to a shorter notice period in which case all payment obligations of the Corporation shall terminate at the end of such reduced notice period. For greater certainty, upon termination of his Employment Agreement, Mr. Iadeluca shall forfeit all unvested equity and cash awards, including the unvested portion of the Equity Incentive, if any, and the unvested Retention Bonus, if any, as well as any unearned or unvested Annual Bonus.

If Mr. Iadeluca's employment is terminated as a result of significant modifications of Mr. Iadeluca's duties and responsibilities, he will be entitled to a severance payment equal to his then base salary plus any accrued benefits and accrued vacation and the pro rata portion of his discretionary bonus calculated based on his preceding year's annual discretionary bonus, not including any one-time awards.

Assuming a discontinuance of Mr. Iadeluca's services if a change of control took place on December 31, 2018, Mr. Iadeluca would have received a cash payment of $600,000 and Common Shares valued at an aggregate of $23,333 assuming the vesting of all units under the LTIP on such date, applying the closing price of the Common Shares on the TSX on such date.

Kurt Loewen

Mr. Loewen, the CFO of the Corporation, has entered into an amended employment agreement with the Corporation dated January 1, 2013, as amended, pursuant to which Mr. Loewen received an annual base salary of $285,000 in 2018 and is entitled to: (i) an annual discretionary bonus as determined by the Board in its sole discretion; and (ii) certain perquisites. If Mr. Loewen's employment is terminated upon a change in control, other than for cause, in contemplation of, at the time of, or within 18 months after a change of control, Mr. Loewen will be entitled to a lump sum cash payment immediately following such termination equal to 1.25 times his then current annual base salary and annual discretionary bonus equal to the respective amounts last awarded to Mr. Loewen. In addition, in the event of a change in control, immediately effective as of the date of such change of control, Mr. Loewen shall be fully and immediately vested in any unvested Options and/or other equity awards granted by the Corporation to Mr. Loewen that are unvested as of such date so that all such Options and/or equity awards are fully and immediately exercisable by him.

If Mr. Loewen's employment is terminated for any reason other than for cause or in connection with a change of control, or as a result of significant modifications of Mr. Loewen's duties and responsibilities, he will be entitled to fifteen months compensation calculated on the basis of his pro-rated base salary and last awarded annual bonus. If the Corporation terminates Mr. Loewen's employment by giving him the required notice or payment in lieu thereof: (i) Mr. Loewen's entitlement to vesting of any Options and other equity awards will continue during the applicable fifteen month notice period; and (ii) on the day following the expiration of such notice period, Mr. Loewen shall be fully and immediately vested in any unvested Options and other equity awards so that any such Options and other equity awards shall be fully and immediately exercisable by him. In the event of significant modification of the duties and responsibilities of Mr. Loewen by the Corporation, Mr. Loewen may at his sole discretion consider such event termination by notice.

Assuming a discontinuance of Mr. Loewen's services if a change of control took place on December 31, 2018, Mr. Loewen would have received a cash payment of $356,250.

Mark Kirby

For a description of the terms of Mr. Kirby's employment agreement, see "*Compensation Discussion and Analysis – 2018 Compensation Decisions – President of S2G Compensation*".

If Mr. Kirby's employment is terminated for any reason other than for cause, he will be entitled to nine months' notice.

Marco Veilleux

Mr. Veilleux, the VP of Business Development and Strategic Projects of the Corporation, entered into an employment agreement with the Corporation dated April 23, 2012, pursuant to which Mr. Veilleux will receive:

(i) an annual base salary of $210,000, subject to an annual review; (ii) an annual discretionary target bonus of up to 25% of his base salary, subject to Board discretion; (iii) equity compensation of $30,000 per year payable in RSUs pursuant to the LTIP or the cash equivalent if such RSUs are not available; and (iv) certain perquisites. If Mr. Veilleux's employment is terminated upon a change in control, other than for cause, in contemplation of, at the time of, or within 18 months after a change of control, Mr. Veilleux shall be entitled to a lump sum cash payment immediately following such termination equal to one half of the aggregate of his: (a) then current base salary; (b) equity compensation; and (c) a bonus equal to the amount last awarded to Mr. Veilleux. In addition, in the event of a change of control, immediately effective as of the date of such change of control, Mr. Veilleux shall be fully and immediately vested in any unvested Options or other equity awards granted by the Corporation to Mr. Veilleux that are unvested as of such date so that all such Options and/or equity awards are fully and immediately exercisable by him.

If Mr. Veilleux's employment is terminated for any reason other than for cause or in connection with a change of control, he will be entitled to four and one half months compensation calculated on the basis of his pro-rated base salary, pro-rated equity compensation and last awarded annual bonus. If the Corporation terminates Mr. Veilleux's employment by giving him the required notice or payment in lieu thereof comprised of pro-rated current salary, including pro-rated equity compensation and bonus based on the respective amounts last awarded to Mr. Veilleux prior to such termination, and all unvested rights in any stock options and any other equity awards will vest in full and become immediately exercisable. In the event of significant modification of the duties and responsibilities of Mr. Veilleux by the Corporation, Mr. Veilleux may at his sole discretion consider such event termination by notice.

Assuming a discontinuance of Mr. Veilleux's services if a change of control took place on December 31, 2018, Mr. Veilleux would have received a cash payment of $123,971 and Common Shares valued at an aggregate of $37,891 assuming the vesting of all LTIP units under the LTIP and the exercise of all Options on such date, applying the closing price of the Common Shares on the TSX on such date.

Compensation of Directors

Pursuant to the Corporation's Amended Directors' Compensation Policy dated December 5, 2018, the Corporation's non-executive directors are paid according to the following schedule:

Director Retainers (Cash and Equity)	
Chairperson Retainer	$50,000
Board Member Retainer	$26,000
Payable in DSUs subject to availability under the LTIP, failing which will be paid in cash	$16,000
Per-Meeting Fees (in person attendance)	
Board meeting (scheduled)	$2,250 per meeting per day
Board meeting (unscheduled)	$1,500 per meeting per day
Committee Retainers	
Audit Committee Chair/Corporate Governance and Compensation Committee Chair	$10,000
Capital Projects and Environmental, Health & Safety Committee Chair/Finance Committee Chair	$5,000
Committee Per-Meeting Fees (in person attendance)	$1,000 per meeting

Additional fees are payable in respect of Board or committee meetings by conference call.

In the first quarter of 2018, the Corporate Governance and Compensation Committee recommended, and the Board approved, a temporary policy that all Board members should receive fees in the form of DSUs, subject to availability under the LTIP, instead of cash until such time as determined by the Corporate Governance and Compensation Committee, as a sign of support and confidence in the Corporation. However, non-executive directors owning, or exercising control or direction over, more than 9% of the Corporation's issued and outstanding Common Shares may elect to receive their equity retainer and other fees in cash even if DSUs are available under the LTIP.

Deferred Share Units

Under the LTIP, a DSU is a right granted to a director to receive one Common Share, from treasury, on a deferred basis. See "*Securities Authorized for Issuance under Equity Compensation Plans – Long-Term Incentive Plan*" for a description of DSUs under the LTIP which have substantially the same terms as the outstanding DSUs.

Pursuant to the provisions of the LTIP, directors may elect to receive DSUs in lieu of fees. The number of DSUs is calculated by dividing the amount of fees by the immediately preceding five-day volume weighted average trading price of a Common Share for the preceding five trading days to the grant date, provided that, if no such shares traded in this period, the average of the closing bid and ask prices during this period shall be used instead of the closing price. The grant date shall be the 10^{th} business day following each financial quarter end.

The DSUs may only be redeemed upon a director ceasing to act as a director of the Corporation. DSUs may be redeemed in cash or Common Shares or a combination of both. The value of DSUs redeemed for cash is equal to the market unit price (as defined in the LTIP) of the Common Shares on the TSX on the trading day immediately following the date the participant ceases to be a director.

The following table states the name of each non-management director and the fees earned for the most recently completed financial year. Mr. Wasilenkoff resigned as Chairman, President and CEO on December 5, 2018. The compensation that Mr. Wasilenkoff earned as a non-management director is included in the Summary Compensation Table for Named Executive Officers above.

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Joe Nemeth	Nil	113,746	N/A	N/A	N/A	N/A	113,746
Anil Wirasekara	Nil	83,889	N/A	N/A	N/A	N/A	83,889
Terrence Kavanagh	Nil	95,246	N/A	N/A	N/A	N/A	95,246
Gerald Gaetz	Nil	68,643	N/A	N/A	N/A	N/A	68,643
Ezra Gardner	9,867	72,995	N/A	N/A	N/A	N/A	82,862

Under the Corporation's Amended Travel and Entertainment Policy, both management and non-management directors are entitled to reimbursement of reasonable travel and other expenses incurred in the conduct of the Corporation's business.

Outstanding Share-Based Awards and Option-Based Awards for Directors

Prior to his resignation as Chairman, President and CEO, Mr. Wasilenkoff earned and held share-based and option-based awards of the Corporation. See "*Outstanding Share-based Awards and Option-based Awards for Named Executive Officers and Incentive Plan Awards - Value Vested or Earned for the Financial Year for Named Executive Officers*". All other non-management directors hold no Option-based awards.

The table below states the name of each non-management director, the number of share-based awards held by such directors as at December 31, 2018 and the value of such awards if the directors were to have retired on December 31, 2018.

Name	Option-based awards				Share-based awards		
	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money Options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Joe Nemeth	N/A	N/A	N/A	N/A	103,233	180,658	N/A
Anil Wirasekara	N/A	N/A	N/A	N/A	65,754	115,070	N/A
Terrence Kavanagh	N/A	N/A	N/A	N/A	47,255	82,696	N/A
Gerald Gaetz	N/A	N/A	N/A	N/A	36,255	63,446	N/A
Ezra Gardner	N/A	N/A	N/A	N/A	16,597	29,045	N/A

In respect of the most recently completed financial year, there were 205,754 DSUs awarded under the LTIP to non-management directors. As at December 31, 2018, there were a total of 395,879 DSUs awarded under the LTIP outstanding.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out information relating to the SOP and the LTIP as at December 31, 2018.

Equity compensation plans approved by security holders	Number of securities to be issued upon exercise of outstanding Options, warrants and rights (a)	Weighted-average exercise price of outstanding Options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Amended and Restated Stock Option Plan	200,000 84,150 201,508 20,000 21,403	$15.41 $8.20 $6.00 $5.10 $3.50	471,961[(1)]
Long-Term Incentive Plan	495,967	N/A	
Total	1,023,028		471,961[(1)]

(1) The number of securities available for issuance under the SOP is 354,611 Common Shares as a result of 117,350 Options having been exercised in 2017 by way of cashless exercise and fully deducted from the number of Common Shares reserved under the SOP.

Long-Term Incentive Plan

On March 8, 2016, the Board adopted the LTIP which was approved by the shareholders on April 21, 2016. The purpose of the LTIP is to align the interests of Eligible Persons (as defined below) with those of the Corporation and its shareholders and to assist in attracting, retaining and motivating key employees of the Corporation by making a significant portion of the incentive compensation of participating employees directly dependent upon the achievement of key strategic, financial and operational objectives that are critical to ongoing growth and increasing the long-term value of the Corporation.

The LTIP is available to directors and certain officers and employees, as determined by the Board (the "**Eligible Persons**"). The aggregate number of Common Shares issuable under the LTIP, together with Common Shares reserved for issuance under all of the Corporation's other security-based compensation arrangements, shall not exceed 10% of the issued and outstanding Common Shares. The total number of Common Shares issuable to any participant under the LTIP, at any time, together with any other security-based compensation arrangements of the Corporation, shall not exceed 5% of the issued and outstanding Common Shares. The total number of Common Shares issued to insiders within any one-year period and issuable at any given time under the LTIP, together with any other security-based compensation arrangement of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares. The total number of Common Shares issuable to non-executive directors under the LTIP shall not exceed 1% of the issued and outstanding Common Shares, and the fair value of awards granted under the LTIP, together with any other security-based compensation arrangement of the Corporation, to any non-executive director cannot exceed $150,000 annually. Except as otherwise determined by the Board, neither awards nor any rights under any such awards shall be assignable or transferable other than pursuant to a will or by the laws of descent and distribution.

The Board may at any time, in its sole discretion and without the approval of shareholders, suspend, terminate or discontinue the LTIP and may amend the terms and conditions of any grants thereunder, subject to: (a) any required approval of any applicable regulatory authority or the TSX, and (b) approval of shareholders of the Corporation as required by the rules of the TSX or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make changes which may include but are not limited to: (i) amendments of a "housekeeping" nature; (ii) any amendment for the purpose of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP; (iii) any amendments which are necessary to comply with applicable law or stock exchange requirements; (iv) amendments respecting administration and eligibility for participation under the LTIP, provided that such amendments do not increase the limits on participation imposed on non-executive directors; (v) changes to terms and conditions on which awards may be or have been granted pursuant to the LTIP, including changes to the vesting provisions and terms of any awards; (vi) amendments which alter, extend or accelerate the terms of vesting applicable to any award; and (vii) changes to the termination provisions of an award or the LTIP which do not entail an extension beyond the original fixed term.

The Board may waive any conditions or rights under, or amend any terms of, any awards, provided that no such amendment or alteration shall be made which would impair the rights of any participant, without such participant's consent, unless the Board determines that such amendment or alteration either: (a) is required or advisable in order to conform to any law, regulation or accounting standard; or (b) is not reasonably likely to diminish the benefits provided under such award.

The following types of awards are available under the LTIP. Such awards may be granted alone or in addition to, in tandem with, or in substitution for any other award or any award granted under any other security-based compensation agreement of the Corporation.

Restricted Share Units

RSUs are rights awarded to participants to receive a payment in Common Shares, and are subject to such restrictions that the Board may establish in the applicable award agreement. Each RSU shall represent one Common Share, and the RSUs shall generally vest and become payable by the issuance of Common Shares in the short to medium term at the end of the restriction period if all applicable restrictions have lapsed, subject to the discretion of the Board.

As soon as practicable after each vesting date of an award of RSUs, the Corporation shall issue from the treasury to the participant or, if applicable, the participant's estate, a number of Common Shares equal to the number of RSUs credited to the participant's account that become payable on the vesting date. As of the vesting date, the RSUs in respect of which such shares are issued shall be cancelled.

The LTIP provides that, in the event of a change of control, all RSUs granted to a participant under the LTIP will continue to vest in accordance with the terms under which such RSUs were granted, unless otherwise approved by the Board. Upon the death of a participant, any RSUs granted to the participant, which, prior to the participant's death have not yet vested, will immediately vest in the participant's estate.

The LTIP provides that, in the event of a participant's termination by the Corporation or a subsidiary thereof for cause or without cause, or in the event of a participant's voluntary termination by the participant, any RSUs granted to the participant under the LTIP will immediately terminate without payment as of the termination date of such units. In the event of a participant's termination due to retirement or in connection with a disability, all RSUs will continue to vest in accordance with the terms of such RSUs and the applicable restriction period. Likewise, in the case of directors, if a participant ceases to be a director for any reason, any RSUs granted to the participant under the LTIP that have not yet vested will continue to vest in accordance with the terms of such RSUs and the applicable restriction period. Upon termination of a participant's employment, the participant's eligibility to receive further grants of awards of RSUs under the LTIP shall cease as of the termination date of such units.

Performance Share Units

PSUs are rights awarded to participants to receive a payment in Common Shares. Each PSU shall represent one Common Share, and shall vest and become payable to the extent that all performance criteria established by the Board, which may include criteria based on the participant's personal performance and/or financial performance of the Corporation and its subsidiaries, set forth in the award agreement are satisfied for the performance cycle, normally a three-year period as specified in the award agreement, the determination of which satisfaction shall be made by the Board on the determination date. An award agreement may provide the Board with the right to revise such performance criteria and the award amounts if unforeseen events occur that will make the application of the performance criteria unfair unless a revision is made.

After the determination date for the applicable award, and within 95 days after the last day of such award's performance cycle, the Corporation shall issue from the treasury to the participant or, if applicable, the participant's estate, a number of Common Shares equal to the number of PSUs that have vested. As of the vesting date, the PSUs in respect of which such shares are issued shall be cancelled.

The LTIP provides that, in the event of a change of control, unless otherwise approved by the Board, the Board shall determine, in its sole discretion, the number of the participant's PSUs that will vest based on the extent to which the applicable performance criteria set forth in the award agreement have been satisfied in the period of the performance cycle that has lapsed.

The LTIP provides that upon death of a participant, all PSUs granted to a participant shall become fully vested in such participant or, if applicable the participant's estate, without regard to the attainment of any performance criteria.

The LTIP provides that, in the event of a participant's termination by the Corporation or a subsidiary for cause or without cause, all PSUs granted to the participant under the LTIP will immediately terminate without payment. In the event of a participant's termination due to retirement or in connection with a disability, the Board shall determine, in its sole discretion, the number of the participant's PSUs that will vest and will be based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed. Upon termination of a participant's employment, the participant's eligibility to receive further grants of awards of PSUs under the LTIP shall cease as of the termination date.

Deferred Share Units

DSUs are rights available to directors in lieu of fees, to receive on a deferred basis a payment in either Common Shares or cash. After the effective date the participant ceases to be a director, the participant shall be entitled to receive either that number of Common Shares equal to the number of DSUs credited to the participant's account, such Common Shares to be issued from treasury, or a cash payment in an amount equal to the number of DSUs credited to the participant's account multiplied by the volume weighted average trading price of the Common Shares for the preceding five days to the date upon which the participant ceases to be a director, net of applicable withholdings. If no such shares traded in this period, the average of the closing bid and ask prices during this period shall be used instead of the closing price. Further, in the event that this value would be determined with reference to a period commencing at a fiscal quarter end of the Corporation and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the DSUs will be made to the participant with reference to the five trading days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).

Each director may elect to receive any or all of his or her cash fees in DSUs. The number of such DSUs to be credited to the participant's account shall be calculated by dividing the amount of fees selected by a director by the volume weighted average trading price of a Common Share for the preceding five trading days to the grant date, provided that, if no such shares traded in this period, the average of the closing bid and ask prices during this period shall be used instead of the closing price. The grant date shall be the 10^{th} business day following each financial quarter end. If, as a result of the foregoing calculation, a participant shall become entitled to a fractional DSU, the participant shall only be credited with a full number of DSUs (rounded down) and no payment or other adjustment will be made with respect to the fractional DSU.

Upon the death of a participant, the participant's estate shall be entitled to receive, within 120 days after the participant's death and at the sole discretion of the Board, a cash payment or Common Shares, net of applicable withholdings, that would have otherwise been payable to the participant upon such participant ceasing to be director.

As of at the date hereof, there are 652,033 issued and outstanding units under the LTIP, representing approximately 4.36% of the total issued and outstanding Common Shares.

Stock Option Plan

The Board has adopted the SOP, which was approved by the shareholders on April 21, 2016, for the Corporation's directors, officers, employees, insiders and service providers. The SOP provides that Options may be granted to eligible persons on terms determined within the limitations set out in the SOP. The maximum number of Common Shares to be reserved for issuance at any one time under the SOP and any other employee incentive plan is 10% of the issued and outstanding Common Shares. Under the terms of the SOP, the maximum number of Common Shares which, together with any other Common Shares subject to a security-based compensation arrangement with a participant may be: (i) reserved for issuance to participants who are insiders shall not exceed 10% of the number of Common Shares then outstanding; (ii) issued to participants who are insiders within a one-year period shall not exceed 10% of the number of Common Shares then outstanding; (iii) issued to any one participant who is an insider and the associates of such participant within a one-year period shall not exceed 5% of the number of Common Shares then outstanding; (iv) reserved for issuance to any one participant shall not exceed 5% of the number of Common Shares then outstanding; and (v) issued to any one participant who is a non-executive director within a one-year period shall not have an aggregate market price in excess of $150,000, and the maximum number of Options issued to any one participant who is a non-executive director under the SOP within a one-year period shall not have an aggregate market price in excess of $100,000. The exercise price for an Option granted under the SOP may not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant. Options granted may be subject to vesting requirements.

The SOP allows Option holders to exchange their Options (the "**Exchanged Options**") for a right (the "**Substituted Right**") to acquire Common Shares, from time to time, at any time, and permits the Corporation to require the Option holder to exchange its Options for a Substituted Right under certain circumstances. The Substituted Right will entitle the holder to acquire Common Shares on exercise in accordance with the following formula:

$$\text{Number of Common Shares} = \text{Number of Common Shares under the Exchanged Options} \times \frac{(\text{Current Price} - \text{Exercise Price})}{\text{Current Price}}$$

"Current Price" means the closing price of the Common Shares immediately prior to exercise or exchange of the Options and "Exercise Price" means the exercise price of the Exchanged Options.

Options will be granted for a period which may not exceed ten years from the date of grant but will expire on the earlier of the expiry date and 90 days after a participant ceases to be a director, officer, employee, insider or service provider of the Corporation, unless that participant ceases to be a director, officer, employee, insider or service provider of the Corporation for cause, in which case no Option held by such participant shall be exercisable. The Board shall determine, in accordance with the SOP, the number of Common Shares to be made subject to each Option, as well as any other terms, including the expiry date and any vesting provisions, restrictions, or conditions that may be applicable. No rights under the SOP and no Option awarded pursuant to the provisions of the SOP are assignable or transferable by any participant other than pursuant to a will or by the laws of descent and distribution. Subject to any applicable employment agreement, upon the death of an optionee, any person who legally receives the rights of any Option granted to such optionee by will or the laws of descent and distribution may exercise such Option within 365 days of the death of the optionee or prior to the expiration of the applicable option period, whichever is sooner, but only to the extent such optionee was entitled to exercise the Option at the date of such optionee's death.

The Board may from time to time in its absolute discretion amend, modify and change the provisions of an Option or the SOP without obtaining approval of shareholders to: (i) make amendments of a "housekeeping" nature; (ii) change vesting provisions of an Option or the SOP; (iii) change the termination provisions of an Option or the SOP which does not entail an extension beyond the original expiry date of the Option or the SOP; (iv) change the termination provisions of an Option or the SOP which does entail an extension beyond the original expiry date of the Option or the SOP for a participant who is not an insider; (v) remove or change any restriction or condition attached to a Common Share; (vi) implement a cashless exercise feature, payable in cash or securities, provided that such feature provides for a full deduction of the number of Common Shares from the number of Common Shares reserved under the SOP; and (vii) make any other amendments of a nonmaterial nature which are approved by the TSX.

All other amendments, modifications or changes shall only be effective upon such amendment, modification or change being approved by the shareholders of the Corporation. Specifically, shareholder approval shall be required to amend, modify or change any provision in the SOP to: (i) increase the number of Common Shares reserved for issuance under the SOP; (ii) reduce the exercise price per share for an Option granted under the SOP, or permit the Board to cancel and reissue Options granted under the SOP; (iii) extend the period under which Options granted under the SOP may be exercised; (iv) permit discretionary participation in the SOP by non-executive directors, or increase the limits on non-executive director participation in the SOP; (v) permit the assignment or transfer of Options granted under the SOP, other than for normal estate settlement purposes; and (vi) permit changes to the amendment provisions in the SOP. Any amendment, modification or change of any provision of the SOP shall be subject to approval, if required, by any regulatory body having jurisdiction.

The SOP is administered by the Corporation's Corporate Governance and Compensation Committee. The SOP is subject to the rules and policies of the TSX, including the requirement for shareholder approval of all unallocated Options every three years following institution.

As at the date hereof, there are 442,911 issued and outstanding Options, representing approximately 2.96% of the total issued and outstanding Common Shares.

Burn Rate

The following table sets forth the annual burn rate for each of the three most recently completed fiscal years for each of the Corporation's equity incentive plans. The burn rate has been calculated by dividing the number of awards granted under the respective plan during the applicable fiscal year, by the weighted average number of securities outstanding for the applicable fiscal year.

SOP			
Year	**Grants**	**Weighted Average[(1)]**	**Burn Rate**
2018	21,403	14,795,924	0.14%
2017	305,658	14,283,747	2.14%
2016	Nil	14,636,006	N/A

LTIP			
Year	**Grants**	**Weighted Average[(1)]**	**Burn Rate**
2018	184,909	14,795,924	1.25%
2017	41,428	14,283,747	0.29%
2016	22,448	14,636,006	0.15%

(1) The weighted average number of the securities outstanding during the period is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances. The weighted average number of Common Shares outstanding has been calculated in accordance with the CPA Canada Handbook, as such may be amended or superseded from time to time.

Automatic Share Disposition Plan

In December 2010, the Corporation adopted an automatic share disposition plan (the "**ASDP**") to allow its directors and senior executive officers the opportunity to satisfy their tax liabilities resulting from the receipt of equity compensation or to diversify their investments and meet investment planning goals by selling, on an automatic basis through an independent third party securities broker (the "**Broker**"), certain of their Common Shares, including Common Shares issuable upon the vesting of units under the LTIP and the exercise of Options. Sales of Common Shares under the ASDP are made in the open market through the facilities of the TSX by the Broker in accordance with a pre-determined quarterly sales schedule and could include circumstances when participants would ordinarily not be permitted to sell their Common Shares due to restrictions under Canadian securities laws or trading blackouts imposed under the Corporation's Insider Trading Policy. Participants are subject to meaningful restrictions on their ability to modify or terminate their participation in the ASDP. The ASDP was not utilized in 2018.

Employee Share Purchase Plan

In August 2011, the Corporation adopted an employee share purchase plan (the "**ESPP**") to encourage share ownership and provide its employees with financial assistance to purchase Common Shares through earnings, contributions by the Corporation, and dividend reinvestment. Any employee who has completed six full months of employment with the Corporation or any of its subsidiaries is eligible to participate in the ESPP. This may include an employee who is on leave of absence, but, unless authorized by the Board, does not include officers or directors of the Corporation, contract or probationary employees, part-time employees, temporary full-time employees, or temporary part-time employees.

A participant will make personal contributions to the ESPP of not more than ten percent, in whole percentages, of his or her Earnings (as such term is defined in the ESPP) up to a maximum aggregate personal contribution per calendar year of $10,000 or the equivalent in local currency for non-Canadian resident participants, as may be determined by the Board from time to time. Accordingly, the Corporation will contribute to the ESPP an amount equal to $0.15 for every $1.00 contributed by a participant for any pay period (to a maximum of $1,500 annually). A participant may make four withdrawals from his or her account in any calendar year.

An administrative agent will use all funds received by it from contributions to purchase the Common Shares and will make such purchases from time to time at its discretion. The administrative agent will purchase such Common Shares on the open market through the facilities of the TSX. The Corporation may amend or suspend at any time, and from time to time, all or any of the provisions of the ESPP at its sole and complete discretion, except that no such amendment shall, in the opinion of the Corporation, operate so as to deprive a participant of any Common Shares credited to a participant's account(s) prior to the date thereof.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, no individual who is or was a director, executive officer or employee of the Corporation or any of its subsidiaries, any proposed nominee for election as a director of the Corporation or any associate of such director or officer, is or was, at the end of the most recently completed financial year, indebted to the Corporation or any of its subsidiaries since the beginning of the most recently completed financial year of the Corporation, or is or has been indebted to another entity that is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries during that period.

MANAGEMENT CONTRACTS

To the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

AUDIT COMMITTEE

For information regarding the Corporation's Audit Committee, please refer to the Corporation's Annual Information Form for the year ended December 31, 2018 under the heading "*Directors and Executive Officers – Audit Committee*", available on SEDAR at www.sedar.com.

CORPORATE GOVERNANCE

Board of Directors

The directors are responsible for managing and supervising the management of the business and affairs of the Corporation. Each year, the Board must review the relationship that each director has with the Corporation in order to satisfy themselves that the relevant independence criteria have been met.

Other than interests arising from shareholdings in the Corporation, Messrs. Nemeth, Wirasekara, Kavanagh, Gaetz and Gardner are independent directors within the meaning set out in National Instrument 52-110 – *Audit Committees* in that they are free from any interest which could reasonably interfere with their exercise of independent judgment as directors of the Corporation. Mr. Wasilenkoff is a significant shareholder and former executive officer, making him therefore not independent. The Corporation had, in the 2018 fiscal year, has and will have a Board comprised of a majority of independent directors.

In order to facilitate its exercise of independent judgment in carrying out its responsibilities, the Board may establish informal committees on an as-needed basis consisting solely of independent directors to evaluate certain matters to be considered by the Board. The Board, or any committee, may also seek advice from outside advisors. The Board also follows a practice whereby any director who has an interest in a matter the Board is considering will either abstain from voting on the matter or exit the Board meeting.

The directors of the Corporation hold no other directorships in other reporting issuers.

In 2018, the Board held eight meetings and one ad hoc meeting. The independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, in order to facilitate open and candid discussion among independent directors, communication among the independent directors also occurs on an informal and ongoing basis as such need arises. During 2018, the independent directors held seven meetings independent of management and non-independent directors.

The Board has a Chairman independent of management. Mr. Nemeth was appointed as Chairman of the Board on December 5, 2018, concurrent with Mr. Wasilenkoff's resignation as Chairman, CEO and President of the Corporation. The Board is satisfied that the autonomy of the Board and its ability to function independently of management are protected through measures such as the Audit Committee and the Corporate Governance and Compensation Committee being composed of all or a majority of independent directors. In addition, the independent members of the Board meet separately from the non-independent member(s) and the Board encourages its independent members to seek the advice of financial, legal or other consultants when necessary.

Board committees assist in the effective functioning of the Board. All Board committees are currently comprised of a majority of independent directors, which ensures that the views of independent directors are effectively represented. The Board currently has four committees: the Corporate Governance and Compensation Committee, the Audit Committee, the Finance Committee and the Capital Projects, Environmental, Health and Safety Committee (the "**Capital Projects EH&S Committee**"). Special committees may be formed from time to time as required to review particular matters or transactions. In 2018, a special committee was formed for the purposes of reviewing, evaluating and recommending to the Board in connection with the amendment and maturity date extension of the Debentures.

The Corporate Governance and Compensation Committee is responsible for the development, implementation and monitoring of the Corporation's compensation policy for executive officers and members of the Board and the ensuring that the Corporation meets applicable legal, regulatory and self-regulatory business principles and "codes of best practice" of corporate behavior and conduct.

The following are the current members of the Corporate Governance and Compensation Committee:

Terrence Kavanagh (Chair)
Joe Nemeth
Anil Wirasekara
Ezra Gardner

The Audit Committee is responsible for monitoring: (1) the integrity of the financial statements of the Corporation; (2) the compliance by the Corporation with the legal and regulatory requirements; and (3) the independent performance of the Corporation's external auditors, which external auditors shall report directly to the Audit Committee.

The following are the current members of the Audit Committee:

Anil Wirasekara (Chair)
Gerald Gaetz
Ezra Gardner

In November 2018 the Finance Committee was formed to assist the Board in its oversight of the Company's major financial strategies and transactions.

The following are the current member of the Finance Committee:

Ezra Gardner (Chair)
Anil Wirasekara
Gerald Gaetz

The Capital Projects EH&S Committee reviews and monitors environment, health and safety, and other sustainability management systems, policies and programs of the Corporation. The Capital Projects EH&S Committee is also responsible for overseeing, reviewing, evaluating, monitoring and assessing the execution of significant capital projects of the Corporation.

The following are the current members of the Capital Projects EH&S Committee:

Joe Nemeth (Chair)
Terrence Kavanagh
Chad Wasilenkoff

The following table sets forth the number of Board and committee meetings held and attendance by directors for the most recently completed financial year, but does not include ad hoc meetings attended by Board members or sub-committee meetings.

Director	Board meetings	Corporate Governance and Compensation Committee meetings	Audit Committee meetings	Capital Projects EH&S Committee meetings	Finance Committee meetings	Special Committee meetings
Joe Nemeth	8/8	5/5	N/A	5/5	N/A	4/4
Chadwick Wasilenkoff	8/8	N/A	N/A	5/5	N/A	N/A
Anil Wirasekara	7/8	5/5	6/6	N/A	Nil	4/4
Terrence Kavanagh	8/8	5/5	N/A	5/5	N/A	4/4
Gerald Gaetz	6/8	N/A	5/6	N/A	Nil	3/4
Ezra Gardner	8/8	5/5	6/6	N/A	Nil	N/A

The table below summarizes the number of Board and committee meetings held during 2018 (includes scheduled and unscheduled meetings.

Meeting type	Totals
Board of Directors	15 [1]
Corporate Governance and Compensation Committee	5
Audit Committee	6
Capital Projects EH&S Committee	5
Finance Committee	Nil
Special Committee	4
Total number of meetings held	**35**

(1) Includes seven meetings of the independent directors of the Board.

The Corporation's current Board mandate, which is reviewed on an annual basis, is attached hereto as Appendix "A". The Board has not developed written position descriptions for the Chairman or the chairs of each committee of the Board. The chairs of each committee of the Board follow the charter for the respective committee. The Board's written position description for the CEO is outlined in the Executive Employment Agreement.

Orientation and Continuing Education

The Corporation does not have a formal process of orientation and education for new members of the Board. The current directors are experienced in boardroom procedure and corporate governance and generally have a good understanding of the business. As necessary, new members of the Board are provided with information about the Corporation, the role of the Board, the Board's committees, the Board's directors and the Corporation's industry. In addition, the Corporation provides continuing education for its directors as such need arises.

Ethical Business Conduct

The Corporation adopted a Code of Business Conduct and Ethics (the "**Code**") in May 2007. On May 10, 2017 the Corporation revised the Code to include policies relating to donation, sponsorships and gifting, a copy of which is available under the Corporation's profile at www.sedar.com and on the Corporation's website. The Code sets out the principles that should guide the behavior of the Corporation's directors, officers and employees. The Code addresses issues such as the following:

(a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;

(b) protection and proper use of corporate assets and opportunities;

(c) fair dealing with the Corporation's security holders, customers, suppliers, competitors and employees;

(d) compliance with laws, rules and regulations; and

(e) reporting of any illegal or unethical behavior.

The Board is responsible for monitoring compliance with the Code. One tool used for monitoring compliance is the Corporation's Whistleblower Policy which is available on the Corporation's website at www.fortressge.com. Any person can report complaints or concerns, which may be on an anonymous basis, through the procedures of the Whistleblower Policy.

To ensure directors of the Corporation exercise independent judgment in considering transactions, agreements or decisions in respect of which a director or executive officer has declared a material personal interest (in accordance with relevant corporate law requirements), the Board follows a practice whereby any such Board member must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter. Significant contracts that may be deemed to be in conflict are also reviewed and approved by the Audit Committee.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law and relevant securities regulatory instruments in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Although the Corporation does not have a nominating committee to propose new Board nominees, the Corporate Governance and Compensation Committee is responsible for advising the Board with respect to the filling of vacancies on the Board and making recommendations as to nominees for the Board and uses an informal consultative process.

The Corporate Governance and Compensation Committee analyzes the needs of the Board when vacancies arise and identifies and proposes new nominees who have the necessary competencies and characteristics to meet such needs. New candidates are introduced to the Board by members of the Corporate Governance and Compensation Committee.

In order to foster an objective nomination process, the independent members of the Board are encouraged to recommend nominees for the Board.

Director Term Limits

The Corporation has not established a formal policy on term limits for the directors on the Board. The Corporate Governance and Compensation Committee and the Board last considered whether to implement a term limit policy at its November 7, 2017 meeting. While the Corporation considered the benefits of fresh perspectives on its Board, the Board considered the potential drawbacks of losing directors with significant institutional knowledge, experience and understanding of the Corporation's unique aspects of its businesses and operational history. The Corporate Governance and Compensation Committee and the Board considered whether the goals of providing for board renewal and succession planning would be best served by formal term limits and retirement policies or the evaluations of individual directors' skills and performance. The Corporate Governance and Compensation Committee will continue to perform assessments of each director's performance annually (See "*Assessments*"). These reviews would address the director's level of preparedness for meetings, pro-active contributions, follow through on action items and commitments in a timely manner, overall contribution and candid feedback on areas for improvement. The average tenure of the Corporation's current Board is 6.16 years. Excluding Mr. Wasilenkoff, the remaining independent Board members have an average tenure of 4.36 years.

Diversity and Representation of Women

On August 7, 2018, the Board adopted a Diversity Policy to promote an environment of inclusiveness and diversity at all levels of the organization and particularly endeavoring to increase the female representation on the Board and in the Corporation's senior leadership and other officer positions.

The Corporate Governance and Compensation Committee is responsible for reviewing and assessing Board composition on behalf of the Board, and for making recommendations with respect to the appointment of new directors to the Board when there are vacancies to be filled. All Board appointments are based on merit, considering the knowledge, skills, experience and independence which the Board, as a whole, requires to be effective. In identifying and nominating candidates for the Board, the Corporate Governance and Compensation Committee will have due regard for the benefits of gender diversity on the Board and will ensure that female candidates are being fairly considered relative to other candidates.

Similarly, the Corporate Governance and Compensation Committee is responsible for making recommendations to the Board respecting the hiring and appointment of officers, executives and other key employees. As with Board appointments, the hiring of such employees will be conducted on the basis of merit, in the context of the knowledge, skills and experience that each employee requires in order to be effective. In identifying suitable candidates for appointment to such positions, the Corporate Governance and Compensation Committee will have due regard for the benefits of gender diversity in such positions and will ensure that female candidates are being fairly considered relative to other candidates.

The policy does not establish any fixed targets regarding the representation of women on the Board because the Board does not believe targets necessarily result in the identification or selection of the candidate with the necessary expertise or experience required on the Board. The Corporation does not currently have any female directors.

Currently, one out of six, or 17%, of the Corporation's officers are female. The Corporate Governance and Compensation Committee will reassess this percentage as vacancies in senior leadership and other officer positions arise.

Compensation

The Corporate Governance and Compensation Committee is appointed by the Board to, among other things, discharge the Board's responsibilities relating to compensation of the Corporation's directors and officers. The Corporate Governance and Compensation Committee periodically reviews the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and that the compensation allows the Corporation to attract qualified candidates. Such review includes an examination of publicly available data as well as independent compensation surveys.

The Corporation Governance and Compensation Committee annually reviews and approves corporate goals and objectives relevant to the compensation of the NEOs and other senior executives, evaluates the NEOs and other executives' performance in light of those goals and objectives and sets the NEOs and other executives' compensation level based on this evaluation. The Corporate Governance and Compensation Committee meets without the presence of the NEOs or other executive officers when approving the NEOs and other executives' compensation.

The Corporate Governance and Compensation Committee is comprised of only independent directors. In order to ensure an objective process for determining compensation, the Corporate Governance and Compensation Committee reviews independent materials such as pay survey data and industry reports. The Corporate Governance and Compensation Committee benchmarks against other companies using peer group studies compiled for the Corporate Governance and Compensation Committee. In addition, the Corporate Governance and Compensation Committee may consult with outside advisors and independent compensation advisory firms if it deems advisable.

Assessments

The Board is responsible for keeping management informed of its evaluation of the performance of the Corporation and its senior officers in achieving and carrying out the Board's established goals and policies, and is also responsible for advising management of any remedial action or changes which it may consider necessary. Additionally, directors are expected to devote the time and attention to the Corporation's business and affairs as necessary to discharge their duties as directors effectively.

The Corporate Governance and Compensation Committee administers evaluations of performance, effectiveness and composition of the Board's committees and also of the Board as a whole. The Board and the Board's committees evaluate performance by asking each director to complete questionnaires. The results of the questionnaires are collated and evaluated by the Corporate Governance and Compensation Committee and then discussed at a meeting of the full Board. In addition to the assessments, the Board considers the following in order to gauge performance:

(a) input from directors, where appropriate;

(b) attendance of directors at meetings of the Board and any committee;

(c) the charter of each committee; and

(d) the competencies and skills each individual director is expected to bring to the Board and each committee.

Advance Notice Policy

Pursuant to the Advance Notice Policy, any additional director nominations for the Meeting must have been received by the Corporation no later than the close of business on April 26, 2019. No such nominations were received by such date. The advance notice provisions provide shareholders, directors and management of the Corporation with a clear framework for nominating directors. The Advance Notice Policy is available on SEDAR at www.sedar.com.

Share Ownership Policy

On March 17, 2017, the Board adopted a share ownership policy. The purpose of the share ownership policy is to better align the financial interests of the Corporation's CEO and President, CFO, other executive officers and non-executive directors (collectively, the "**Participants**") with those of the Corporation's shareholders. The Participants are required pursuant to the policy to own Common Shares which have a fair market value equal to the following multiples of the Participant's base salary (or, in the case of a non-executive director, the annual retainer paid to such director in cash or equity, not including retainers for Board committees):

CEO and President of the Corporation	3x annual base salary
CFO	2x annual base salary
Other Executive Officers	1x annual base salary
Non-Executive Directors	3x annual retainer

In determining share ownership, unexercised Options will be excluded and LTIP units will be included. Each year, the Corporate Governance and Compensation Committee will determine whether a Participant meets the policy guidelines. In the event the market value of the Common Shares owned by a Participant falls below the original purchase price actually paid for such shares, the original purchase price may be used when calculating his or her share ownership. In the event of an increase in a Participant's base salary or annual retainer, he or she will have five years to acquire additional shares to meet the guidelines. Each Participant is expected to meet the applicable guidelines within five years of first becoming subject to the guidelines pursuant to the policy, subject to the Corporate Governance and Compensation Committee's discretion, and to maintain the applicable guidelines thereafter.

While the Participant is not in compliance with his or her ownership requirement, the Participant must retain an amount equal to 50% of his or her net shares received as a result of the exercise of Options or the vesting of any LTIP units, after deducting any shares sold to pay any applicable exercise price, in the case of Options, and to satisfy any tax obligations arising in connection with the exercise of Options or vesting of LTIP units. If the Participant falls below the applicable guideline solely as a result of a decrease in the value of the Common Shares based on their market price, the Participant will not be required to acquire additional shares to meet the guidelines, but will be required to retain all shares then held (excluding shares withheld to pay withholding taxes or the exercise price of Options) until such time as he or she again attains the target multiple.

APPOINTMENT OF AUDITORS

Management of the Corporation will recommend at the Meeting that shareholders reappoint PricewaterhouseCoopers LLP as auditors of the Corporation until the next annual meeting of shareholders and to authorize the directors to fix their remuneration. PricewaterhouseCoopers LLP were first appointed as auditors of the Corporation on October 24, 2006.

PARTICULARS OF MATTERS TO BE ACTED UPON

Options Resolution

Pursuant to the policies of the TSX, all unallocated options, rights, or other entitlements under a security based compensation arrangement, which does not have a fixed maximum number of securities issuable, must be approved by the listed issuer's security holders every three years after the institution of the arrangement.

In the case of the SOP, unallocated Options were last approved by shareholders at the Corporation's annual general and special meeting on April 21, 2016 (the "**2016 Meeting**"). A description of the SOP is provided under the heading "*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan*". As the three-year term prescribed by the TSX expires on April 21, 2019, an ordinary resolution will be placed before the shareholders to approve the unallocated Options (the "**Options Resolution**"). This approval will be effective for three years from the date of the Meeting. If approval is not obtained at the Meeting, Options which have not been allocated as of April 21, 2019, and Common Shares underlying Options which are outstanding as of April 21, 2019 and are subsequently exercised, surrendered, expired or terminated, will not be available for new grants of Options. Previously allocated Options will be unaffected by the approval or disapproval of the Options Resolution.

As at the date of this Information Circular, Options to purchase a total of 442,911 Common Shares are outstanding, representing approximately 2.96% of the issued and outstanding Common Shares. Additionally, there are 652,033 securities outstanding under other security-based compensation arrangements representing approximately 4.36% of the issued and outstanding Common Shares. Accordingly, there are 402,235 unallocated Options available under the SOP, representing approximately 2.69% of the issued and outstanding Common Shares, assuming no further grants of LTIP units.

Additionally, 117,350 Options were exercised in 2017 by way of cashless exercise. As such exercise resulted in a full deduction of the Common Shares underlying such Options from the Common Shares reserved under the SOP, shareholders will also be asked under the Options Resolution to approve the renewed availability of such exercised Options for issuance pursuant to the terms of the SOP.

The following is the text of Options Resolution to be considered at the Meeting:

"BE IT RESOLVED THAT:

1. All unallocated Options as of May 28, 2019 under the Corporation's stock option plan (the "**SOP**"), as may be amended from time to time, be and are hereby approved and authorized and the Corporation is authorized to continue granting Options under the SOP until May 28, 2022, which is the date that is three years from the date when shareholder approval is being sought;

2. Those 117,350 Common Shares underlying Options to purchase such Common Shares that were exercised by the holders of such Options in 2017 by way of cashless exercise are approved to be available for new grants of Options in accordance with the terms of the SOP; and

3. Any director or officer of the Corporation be, and is hereby, authorized to take all such further actions and to execute and deliver all such further instruments and documents, in the name of and on behalf of the Corporation, as may be necessary, proper or advisable in order to carry out and give full effect to the foregoing."

The Board has determined that passing the Options Resolution is in the best interest of the Corporation and its shareholders and recommends that the shareholders vote **IN FAVOUR** of the Options Resolution. In order to be approved, the Options Resolution must be passed by a majority of the votes cast by shareholders at the Meeting. **In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed Proxy intend to vote FOR the Options Resolution.**

Unallocated LTIP Units Resolution

Pursuant to the policies of the TSX, all unallocated options, rights, or other entitlements under a security based compensation arrangement, which does not have a fixed maximum number of securities issuable must be approved by the listed issuer's security holders every three years after the institution of the arrangement.

The LTIP was last approved by the shareholders of the Corporation at the 2016 Meeting. As the three-year term prescribed by the TSX expires on April 21, 2019, an ordinary resolution will be placed before the shareholders at the Meeting to approve the unallocated units (the "**Unallocated Units Resolution**"). This approval will be effective for three years from the date of the Meeting. If approval is not obtained at the Meeting, units which have not been allocated as of April 21, 2019 and shares underlying units which are outstanding as of April 21, 2019 and are subsequently cancelled or terminated will not be available for a new grant of units under the LTIP. Previously allocated units will be unaffected by the approval or disapproval of the resolution. A description of the LTIP is provided under the headings "*Securities Authorized for Issuance under Equity Compensation Plans – Long-Term Incentive Plan*".

As at the date of this Information Circular, a total of 652,033 LTIP units are outstanding, representing approximately 4.36% of the issued and outstanding Common Shares. Additionally, there are 442,911 securities outstanding under other security-based compensation arrangements representing approximately 2.96% of the issued and outstanding Common Shares. Accordingly, there are 402,235 unallocated units available under the LTIP, representing approximately 2.69% of the issued and outstanding Common Shares, assuming no further grants of Options.

The following is the text of Unallocated Units Resolution to be considered at the Meeting:

"**BE IT RESOLVED THAT**:

1. All unallocated units as of May 28, 2019 under the Corporation's 2016 Long-Term Incentive Plan (the "**LTIP**"), as may be amended from time to time, be and are hereby approved and authorized and the Corporation is authorized to continue granting units under the LTIP until May 28, 2022, which is the date that is three years from the date where shareholder approval is being sought; and

2. Any director or officer of the Corporation be, and is hereby, authorized to take all such further actions and to execute and deliver all such further instrument and documents, in the name of and on behalf of the Corporation, as may be necessary, proper or advisable in order to carry out and give full effect to the foregoing."

The Board has determined that passing the Unallocated Units Resolution is in the best interests of the Corporation and its shareholders and recommends that the shareholders vote **IN FAVOUR** of the Unallocated Units Resolution. In order to be approved, the Unallocated Units Resolution must be passed by a majority of the votes cast by shareholders at the Meeting. **In the absence of a contrary instruction, the persons designated**

by management of the Corporation in the enclosed Proxy intend to vote FOR the Unallocated Units Resolution.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, no director, executive officer or proposed nominee for election as a director of the Corporation, or any of their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of Common Shares or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no insider of the Corporation, nor the proposed nominees for election as directors of the Corporation, nor any associate or affiliate of such insider or proposed nominees, has any material interest, direct or indirect, in any transaction since the beginning of the last financial year of the Corporation, or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., 510 Burrard Street, 2nd Floor, Vancouver, British Columbia V6C 3B9.

OTHER BUSINESS

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. However, if any other matter(s) which are not known to management of the Corporation shall properly come before the Meeting, the Proxy given pursuant to the solicitation by management of the Corporation will be voted on such matter(s) in accordance with the best judgment of the person(s) voting the Proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis ("**MD&A**") by sending a written request to 2nd Floor, 157 Chadwick Court, North Vancouver, British Columbia, Canada V7M 3K2, Attention: Corporate Secretary. Financial information is provided in the Corporation's comparative financial statements and MD&A for its fiscal year ended December 31, 2018, which are also available on SEDAR.

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the directors of the Corporation.

DATED at Vancouver, British Columbia, Canada, this 26th day of April, 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF FORTRESS GLOBAL ENTERPRISES INC.

/s/ Joe Nemeth

Joe Nemeth
Chairman

APPENDIX "A"

BOARD OF DIRECTORS' MANDATE

Effective August 2, 2018

1. PURPOSE

1.1 The Board of Directors (the "**Board**") of Fortress Global Enterprises Inc. (the "**Company**") wishes to formalize the guidelines pursuant to which the Board governs the business of the Company. The guidelines are intended to be flexible and are intended to provide parameters and direction to the Board in conjunction with its obligations and mandate to oversee and direct the affairs of the Company.

1.2 The Board is responsible for the overall stewardship of the Company and for managing and supervising the management of the Company. The Board does not conduct day-to-day management of the Company; that is the responsibility of the officers. The Board shall at all times act in the best interests of the Company.

2. RESPONSIBILITIES

2.1 In discharging its responsibility, among other things, the Board should:

(i) require management to develop and maintain a strategic planning process which takes into account, among other things, the opportunities and risks of the Company's business and to bring its strategic and operating plans to the Board for review and approval on an annual basis or such other basis as may be required by the Board;

(ii) approve all capital plans and establish priorities in the allocation of funds for major capital projects on an annual basis or such other basis as may be required by the Board;

(iii) identify the principal risks of the Company's business and require management to implement appropriate procedures and systems to manage such risks;

(iv) plan for senior management succession, including the appointment of and monitoring of senior management's performance;

(v) require senior management to develop and maintain a strategy to communicate effectively with its security holders, investment analysts and the public generally and to accommodate and address feedback from security holders;

(vi) require management to maintain internal control and management information systems and, through Board committees or otherwise, to monitor these systems as it considers fit;

(vii) require senior management to implement systems to ensure the Company operates within applicable laws and regulations;

(viii) review actual results achieved by the Company against the objectives contained in the Company's plans and implement or cause to be implemented corrective action where indicated;

(ix) arrange for the operating results of the Company to be presented by management to the Board on a regular basis;

(x) require that the Board be kept reasonably informed of the Company's activities and performance and take appropriate action to correct inadequate performance;

(xi) authorize the issuance of equity and debt securities of the Company;

(xii) approve all public disclosure by the Company including press releases, financial results, management's discussion and analysis, material change reports, registration statements, prospectuses and other public continuous disclosure documents, other than: (a) press releases and public disclosure in the ordinary course of the Company's operations which do not include any earnings announcements, which may be approved by the Company's Chief Executive Officer, President and Chief Financial Officer, in consultation with the Company's legal counsel; and (b) press releases resulting from emergency or urgent situations which may be approved by the Company's Chief Executive Officer, President and Chief Financial Officer, in consultation with the Company's legal counsel;

(xiii) review and consider all reports and recommendations of the Compensation Committee and approve all compensation of senior executive officers (including the Executive Chairperson, Chief Executive Officer and named executive officers) and directors;

(xiv) require that proper procedures are established for the protection of shareholder value;

(xv) ensure policies and procedures are in place to ensure the Company's compliance with applicable law, including timely disclosure of relevant corporate information and regulatory reporting; and

(xvii) to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Company.

2.2 The Board will give direction and guidance to management and will also keep management informed of its evaluation of the performance of the Company and of its senior officers in achieving and carrying out the Board's established goals and policies, and in advising management of any remedial action or changes which it may consider to be necessary.

3. ORGANIZATION OF THE BOARD

3.1 The composition of the Board shall comply with applicable corporate and securities laws.

3.2 Each year the Board shall review the relationship that each member of the Board has with the Company in order to satisfy itself that the relevant independence criteria have been met.

3.3 The Board members are expected to devote the time and attention to the Company's business and affairs necessary to discharge their duties as members of the Board effectively, which includes, but is not limited to, attendance at Board meetings and the review of any materials prepared in connection with such meetings. Subject to this requirement, the Board members shall not be subject to any restrictions with respect to their activities outside of their relationship with the Company, including their services as directors of other corporations or charitable organizations so long as such is in accordance with all of the Company's other policies and charters.

3.4 The Board may:

(i) appoint one or more committees of the Board, however designated, and delegate to any such committee any of the powers of the Board except those which pertain to items which, under the

Business Corporations Act (British Columbia) (the "Act"), a committee of the Board has no authority to exercise;

(ii) appoint a Chairman or Executive Chairman of the Board and prescribe his or her powers and duties;

(iii) appoint a Lead Director of the Board and prescribe his or her powers and duties;

(iv) appoint a Chief Executive Officer and prescribe his or her powers and duties;

(v) appoint a President and prescribe his or her powers and duties; and

(vi) in conjunction with the Chief Executive Officer, appoint the officers of the Company and prescribe their powers and duties.

3.5 If, and as long as, the Chairman or Executive Chairman of the Board is not an independent director, the Board shall appoint, from among its independent members and upon recommendation by its independent members, a Lead Director of the Board, to hold office until the earlier of: (i) the appointment of an independent Chairman or Executive Chairman of the Board; and (ii) the appointment of his or her successor by the Board. A Lead Director of the Board shall, if required in accordance with the foregoing, be appointed annually.

3.6 The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named.

3.7 In the event of a change of the status or credentials underlying a Board member's appointment to the Board, the member so affected should, on his or her own initiative, discuss the change with the Chairman so that there is an opportunity for the Board to review the continued appropriateness of Board membership under his or her new circumstances. Each case will be dealt with on its own merits, but as a rule, a member of the Board is expected to tender his or her resignation if there is a change in his or her credentials and circumstances that result in his or her candidacy no longer meeting the requirements of Board membership.

3.8 Unless specified otherwise, the following procedural rules apply to committees of the Board:

(i) The Board may appoint one or more committees of the Board, however designated, and delegate to any such committee any of the powers of the Board except those which pertain to items which, under the Act, a committee of the Board has no authority to exercise;

(ii) The powers of a committee of the Board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of any such committee may be held at any place in or outside Canada;

(iii) The Board may from time to time appoint such advisory bodies as it may deem advisable; and

(iv) Each committee and advisory body shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman, and to regulate its procedure.

3.9 The Board currently consists of six directors. The Board shall have a minimum of three (3) and a maximum of twenty (20) directors, the number of directors within that range to be fixed by resolution of the Board from time to time. The size of the Board should enable its members to effectively and responsibly discharge their responsibilities to the Company.

3.10 Except as set out in the Articles of the Company, Board members shall be elected at the annual meeting of shareholders of the Company each year and shall serve until their successors are duly elected.

4. RESOURCES, MEETING AND REPORTS

The Board shall have adequate resources to discharge its responsibilities. The Chairman shall be empowered to engage advisors as may be appropriate from time to time to advise the Chairman on the Board with respect to duties and responsibilities.

The Board shall meet not less than four times per year.

The meetings of the Board shall ordinarily include the Chief Executive Officer (if not a director) and shall periodically include other senior officers as may be appropriate and as may be desirable to enable the Board to become familiar with the Company's management team and affairs.

The Chairman shall act as, or appoint a Secretary, who shall keep minutes of its meetings in which shall be recorded all actions taken by the Board. Such minutes shall be made available to the directors and shall be approved by the Board for entry in the records of the Company.

Each director is expected to be diligent in preparing for and attending meetings of the Board and any Committee of which he or she is a member. A director who is unable to attend a Board or Committee meeting may participate by teleconference.

Members of the Board shall have the right, for the purposes of discharging their respective powers and responsibilities, to inspect the relevant records of the Company and its subsidiaries.

Members of the Board, subject to approval of the Chair to the Corporate Governance and Compensation Committee, may retain separate counsel to deal with issues relating to their responsibilities as members of the Board.