

# Cortex Business Solutions Inc.

## ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON DECEMBER 5, 2018

### NOTICE OF MEETING AND MANAGEMENT PROXY AND INFORMATION CIRCULAR

*THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF CORTEX BUSINESS SOLUTIONS INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF CORTEX BUSINESS SOLUTIONS INC. TO BE HELD ON WEDNESDAY, DECEMBER 5, 2018.*

#### TO BE HELD AT:

Cortex Business Solutions  
Suite 130 - 115 Quarry Park Road SE  
Calgary, Alberta T2C 5G9

12:00 p.m. MST

DATED: November 1, 2018

## Cortex Business Solutions Inc.

### Notice of Annual General and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING ("Meeting") of holders of common shares ("Common Shares") of Cortex Business Solutions Inc. (the "Corporation") will be held at Suite 130 - 115 Quarry Park Road SE in Calgary, Alberta, on Wednesday, December 5, 2018 at 12:00 p.m. (MST) for the following purposes:

1. The Corporation will fix the number of directors at six (6).
2. The election of the Directors as nominated by Management of the Corporation in the accompanying Management Information Circular prepared for the purpose of the Meeting.
3. The appointment of PricewaterhouseCoopers, LLP Chartered Accountants as Auditors of the Corporation for the ensuing year end and authorizing the Directors of the Corporation to fix the Auditors' remuneration.
4. The ratification of the 2019 Stock Option Plan of the Corporation.
5. The approval of the 2019 Deferred Share Unit Plan of the Corporation.
6. To transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED November 1, 2018

BY ORDER OF THE BOARD OF DIRECTORS

*"Joel Leetzow"*

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*Joel Leetzow*

Director

### IMPORTANT

It is desirable that as many shares as possible be represented at the meeting. If you do not expect to attend and would like your shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. All proxies, to be valid, must be received by Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

## Cortex Business Solutions Inc.

### Management Information Circular

#### SOLICITATION OF PROXIES

**THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF CORTEX BUSINESS SOLUTIONS INC. (THE “CORPORATION” OR THE “COMPANY”)** of proxies for the Annual General and Special Meeting of holders of common shares (“Common Shares”) of the Corporation (the “Meeting”) to be held on Wednesday, December 5, 2018 at 12:00 p.m. (MST) at Cortex Business Solutions, Suite 130 - 115 Quarry Park Road SE, Calgary, Alberta, T2C 5G9, or at any adjournment thereof for the purposes set out in the accompanying Notice of Meeting (“Notice of Meeting”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or personal interview by regular employees of the Corporation, at a nominal cost. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

#### APPOINTMENT AND REVOCATION OF PROXIES

**THE PERSONS NAMED (THE “MANAGEMENT DESIGNEES”) IN THE ENCLOSED INSTRUMENT OF PROXY (“INSTRUMENT OF PROXY”) HAVE BEEN SELECTED BY THE DIRECTORS OF THE CORPORATION AND HAVE INDICATED THEIR WILLINGNESS TO REPRESENT AS PROXY THE SHAREHOLDER WHO APPOINTS THEM. A SHAREHOLDER HAS THE RIGHT TO DESIGNATE A PERSON (WHOM NEED NOT BE A SHAREHOLDER) OTHER THAN THE MANAGEMENT DESIGNEES TO REPRESENT HIM OR HER AT THE MEETING.** Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's Common Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached, where an attorney executed the proxy form. In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his or her Common Shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 or by facsimile within North America: 1-866-249-7775 or outside North America: (416) 263-9524, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his or her authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with Computershare Trust Company of Canada, 100 University Avenue, 8<sup>h</sup> Floor, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his or her Common Shares.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**THE INFORMATION SET FORTH IN THIS SECTION IS OF SIGNIFICANT IMPORTANCE TO MANY SHAREHOLDERS, AS A SUBSTANTIAL NUMBER OF SHAREHOLDERS DO NOT HOLD COMMON SHARES IN THEIR OWN NAME.** Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **THEREFORE, EACH BENEFICIAL SHAREHOLDER SHOULD ENSURE THAT VOTING INSTRUCTIONS ARE COMMUNICATED TO THE APPROPRIATE PERSON WELL IN ADVANCE OF THE MEETING.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A BENEFICIAL SHAREHOLDER WHO RECEIVES**

**A BROADRIDGE VOTING INSTRUCTION FORM CANNOT USE THAT FORM TO VOTE COMMON SHARES DIRECTLY AT THE MEETING. THE VOTING INSTRUCTION FORMS MUST BE RETURNED TO BROADRIDGE (OR INSTRUCTIONS RESPECTING THE VOTING OF COMMON SHARES MUST OTHERWISE BE COMMUNICATED TO BROADRIDGE) WELL IN ADVANCE OF THE MEETING IN ORDER TO HAVE THE COMMON SHARES VOTED. IF YOU HAVE ANY QUESTIONS RESPECTING THE VOTING OF COMMON SHARES HELD THROUGH A BROKER OR OTHER INTERMEDIARY, PLEASE CONTACT THAT BROKER OR OTHER INTERMEDIARY FOR ASSISTANCE.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **BENEFICIAL SHAREHOLDERS WHO WISH TO ATTEND THE MEETING AND INDIRECTLY VOTE THEIR COMMON SHARES AS PROXYHOLDER FOR THE REGISTERED SHAREHOLDER, SHOULD ENTER THEIR OWN NAMES IN THE BLANK SPACE ON THE FORM OF PROXY PROVIDED TO THEM AND RETURN THE SAME TO THEIR BROKER (OR THE BROKER'S AGENT) IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED BY SUCH BROKER.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

#### **VOTING OF PROXIES**

Each shareholder may instruct his or her proxy how to vote his or her Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **IN THE ABSENCE OF ANY SUCH SPECIFICATION AS TO VOTING ON THE INSTRUMENT OF PROXY, THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, WILL VOTE IN FAVOUR OF THE MATTERS SET OUT THEREIN. IN THE ABSENCE OF ANY SPECIFICATION AS TO VOTING ON ANY OTHER FORM OF PROXY, THE COMMON SHARES REPRESENTED BY SUCH FORM OF PROXY WILL BE VOTED IN FAVOUR OF THE MATTERS SET OUT THEREIN.**

**THE ENCLOSED INSTRUMENT OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE MANAGEMENT DESIGNEES, OR OTHER PERSONS NAMED AS PROXY, WITH RESPECT TO AMENDMENTS TO OR VARIATIONS OF MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND ANY OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. AS OF THE DATE HEREOF, THE CORPORATION IS NOT AWARE OF ANY AMENDMENTS TO, VARIATIONS OF OR OTHER MATTERS WHICH MAY COME BEFORE THE MEETING. IN THE EVENT THAT OTHER MATTERS COME BEFORE THE MEETING, THEN THE MANAGEMENT DESIGNEES INTEND TO VOTE IN ACCORDANCE WITH THE JUDGMENT OF MANAGEMENT OF THE CORPORATION.**

#### **QUORUM**

A quorum of shareholders is present at a meeting of shareholders if a holder or holders of not less than 5% of the shares entitled to vote at a meeting of shareholders are present in person or by proxy.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at November 1, 2018 (the “Effective Date”), the Corporation has an authorized capital consisting of an unlimited number of Common Shares without nominal or par value, of which 9,137,700 are issued and outstanding. In addition, the Corporation is authorized to issue an unlimited number of preferred shares, issuable in series, none of which are currently issued.

Holders of Common Shares of record at the close of business on October 31, 2018 (the “Record Date”) are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his or her Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his or her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his or her Common Shares at the Meeting.

To the knowledge of the Directors and Executive Officers (as hereinafter defined in “Compensation of Executive Officers”) of the Corporation, as at the Effective Date, other than as disclosed below, no person, firm or corporation beneficially owned, directly or indirectly, or exercised control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

Name of Shareholder	Number of Common Shares Owned or Controlled at Effective Date	Percentage
Scott Lamacraft	1,072,394	11.79%
Polar Asset Management Partners Inc.	1,749,302	19.14%

## EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

### COMPENSATION PHILOSOPHY AND OBJECTIVES

The Corporation’s compensation philosophy is based on three main principles: alignment of shareholder and employee interests, pay for performance, and our employees being the key to our success. Our compensation system combines a mid-tier benefits and market-based pay program, with a high-quality pay-for-performance incentive plan designed to attract, retain and motivate productive and effective employees, including the Named Executive Officers (“NEOs”). The Corporation’s compensation program for NEOs include short-term elements in the form of a base fixed amount of salary and benefits and include long-term elements in the form of stock options.

## **COMPENSATION COMMITTEE**

The Corporation has a Compensation Committee which assists the Board in fulfilling its oversight responsibilities with respect to compensation matters. The Compensation Committee is composed of five Directors: Mark Ripplinger (Chairman), Randy Henderson, Andrew Gutman, Alice Reimer and Grant Billing all of whom are: (i) not current or former officers or employees of Cortex; (ii) not entitled to participate in Cortex's management compensation programs; and (iii) independent (as defined in National Instrument 52-110).

The Compensation Committee provides direct decision-making regarding the CEO's compensation, objectives and accomplishments. The CEO provides recommendations to the Compensation Committee for the other NEOs. The Compensation Committee reviews annually the total compensation (including direct salary and annual bonus as well as long term stock option plans) paid to each NEO. The Compensation Committee is responsible for reviewing and considering corporate goals and objectives relevant to compensation for all NEOs (as defined below), evaluating the performance of each NEO in light of those corporate goals and objectives, and determining (or making recommendations to the Board of Directors with respect to) the level of compensation for the CEO.

The Compensation Committee recognizes that the executive compensation program must be sufficiently flexible in order to adapt to unexpected developments in the industry and the impact of internal and market related occurrences from time to time and since August 2013, a separate compensation program for the Corporations' NEOs (the "Executive Program") has been in effect and separate from the Corporations' Employee Performance Management Program available to all other employees of the Corporation.

## **COMPENSATION PROCESS**

Under the Executive Program for NEOs, each NEO is provided with a fixed salary and benefits package and also has individualized goals and objectives. The goals and objectives for the CEO are reviewed and approved by the Compensation Committee; the CEO prepares recommendations to the Compensation Committee for the remaining NEOs which are then approved by the Board of Directors. After the Committee determines if these goals and objectives were met, they will at their discretion grant any incentive bonus compensation in accordance with the Cortex Incentive Bonus Plan.

## **COMPENSATION COMPONENTS**

The objective of base salary compensation is to reward and retain NEOs and is designed to reward NEOs for maximizing shareholder value. In setting base compensation levels, consideration is given to such factors as corporate performance, level of responsibility, experience, expertise and the amount of time devoted to the affairs of the Corporation. Subjective factors such as leadership, commitment and attitude are also considered.

The objective of stock option grants is to reward long-term performance by allowing NEOs to participate in the long-term market appreciation of the Corporation's shares and align the interests of the NEO's with the shareholders.

The Corporation has in place a rolling stock plan which was last re-approved by its shareholders at its Annual General and Special Meeting held on December 5, 2017 (the "Option Plan"). A copy of the Option Plan is attached as Exhibit A to the Management Information Circular dated November 1, 2017 and filed on SEDAR on November 8, 2017. The purpose of the Option Plan is to provide the directors, officers, employees and consultants of the Corporation or any of its subsidiaries or affiliates with the opportunity to acquire shares in the Corporation, thereby increasing their proprietary interests in the Corporation, encouraging them to remain with the Corporation or its subsidiaries or affiliates and providing them with additional incentive in the conduct of their affairs for and on behalf of the Corporation, its subsidiaries and affiliates.

The following is a description of the material terms and conditions of the Option Plan. Under the Option Plan, the Board of Directors of the Corporation may, from time to time, grant options to acquire Common Shares to certain directors, officers, employees, and consultants of the Corporation or its subsidiaries, and employees of a person or Corporation which provides management services to the Corporation or its subsidiaries. The aggregate number of Common Shares that may be issued pursuant to the exercise of Options awarded under the Option Plan is 10% of the issued and outstanding number of Common Shares from time to time, subject to the following additional limitations:

- (i) the aggregate number of Common Shares reserved for issuance to any one person under the Option Plan, together with all other security-based compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Shares (on a non-diluted basis) in any 12 month period;
- (ii) in the aggregate, in any 12 month period, no more than 2% of the issued and outstanding Common Shares may be granted to any one consultant of the Corporation (or any of its subsidiaries);
- (iii) in the aggregate, in any 12 month period, no more than 2% of the issued and outstanding Common Shares may be granted to persons employed to provide investor relations activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than  $\frac{1}{4}$  of the Options vesting in any 3 month period; and
- (iv) the number of Shares subject to an option granted to any one participant shall be determined by the Board, but no one participant shall be granted an option which exceeds the maximum number permitted by the TSX Venture Exchange.

The exercise price per Common Share shall be fixed by the Board of Directors but under no circumstances shall any exercise price be lower than the exercise price permitted by the TSX Venture

Exchange. The Option Plan provides a specific vesting schedule whereby all options must vest within 3 years of the issue date. In the event in the change of control all options vest immediately. Also, in no circumstances shall the duration of an option exceed the maximum term permitted by the TSX Venture Exchange, however under the current Plan the duration of the option is 5 years. The Option Plan includes a black out provision which, pursuant to the policies of the Corporation respecting restrictions on trading, could result in a number of periods where a participant is prohibited from exercising their options. Therefore, the Option Plan includes a provision that should an option expiration date fall within a blackout period, immediately following a black out period, the expiration date will automatically be extended for ten business days following the end of the blackout period.

As part of the Corporation's long-term incentives for NEOs a Deferred Share Unit Plan (the "DSU Plan") was established representing a component of director compensation. Each deferred share unit (a "DSU") granted under the plan gives the plan participant the right to receive, upon termination of employment with the Corporation, an amount equal to the redemption amount of the DSU. The redemption amount of a DSU is the average of the closing prices of the Common Shares for the five consecutive trading days immediately prior to the redemption date. The redemption date of the DSU must be no later than December 31 of the year following the termination event. The DSU awards are settled in cash or shares, at the discretion of the Corporation, upon written notice to the Corporation of the intent to redeem the DSU. The compensation costs for DSUs awarded to non-executive directors is based on the fair values of these awards at the time the award is granted. This cost is recognized as a component of general and administration expense with an offset to contributed surplus.

On October 23, 2018, the Board of Directors approved amendments to the DSU Plan. Under the amended DSU Plan, DSU awards to Directors who are not executive officers, vest immediately upon grant. DSUs granted to executive officers will be subject to a vesting period, whereby one-third of the DSUs granted will vest twelve months following the date of grant, a further one-third will vest twenty-four months following the date of grant, and the final one-third of the DSUs will vest thirty-six months following the date of grant. The DSU Plan was also amended to ensure compliance with certain U.S. tax laws.

During the financial year ended July 31, 2018, the Corporation granted \$40,000 worth of deferred share units ("DSUs") or 10,201 units to each non-executive director of the Corporation. The number of DSU's were determined based on the fair value at the date of grant.

### **RISK ASSESSMENT AND OVERSIGHT**

The Compensation Committee does not believe that the Corporation's compensation programs encourage excessive or inappropriate risk taking as: (i) the Corporation's employees receive both fixed and variable compensation, and the fixed (salary) portion provides a steady income regardless of the stock value which allows employees to focus on the Corporation's business; and (ii) the Corporation's option plan encourages a long-term perspective due to the vesting provisions of the Options.

## HEDGING ACTIVITIES

Although the Corporation does not have a policy which prohibits any NEO or director from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the NEO or director, to the knowledge of the Corporation, no NEO or director has entered into any such agreement.

## COMPENSATION OF NAMED EXECUTIVE OFFICERS

The following table sets forth all annual and long term compensation for services in all capacities to the Corporation and its subsidiaries for the two most recently completed fiscal years, in respect of individuals who are acting as, or were acting in a capacity similar to, a chief executive officer (“CEO”), chief financial officer (“CFO”) and the most highly compensated executive officer of the Corporation as at July 31, 2018, whose individual total salary and bonus for the most recently completed financial year exceeded \$150,000 per annum.

Compensation of the President and CEO, VP Finance & CFO, and Vice President Sales and Business Development are determined in accordance with Cortex’s current Executive Program approved by the Board of Directors.

Name and Principal Position	Year	Salary (\$)	Share-Based awards <sup>(1)</sup> (\$)	Option-Based awards <sup>(2)(3)</sup> (\$)	Non-equity incentive plan compensation		Pension value	All Other compensation	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Joel Leetzow President and CEO	2018	340,000	-	-	75,480	-	-	5,460 <sup>(4)</sup>	420,940
	2017	320,000	-	216,621	-	-	-	6,088 <sup>(4)</sup>	542,709
	2016	311,000	-	207,750	-	-	-	5,400 <sup>(4)</sup>	524,150
Jason Baird <sup>(5)</sup> VP, Finance and Chief Financial Officer	2018	141,667	-	54,155	-	-	-	-	195,822
	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
John Gilkison <sup>(6)</sup> Vice President, Sales and Business Development	2018	329,134 <sup>(7)</sup>	-	32,493	-	-	-	-	361,627
	2017	231,642 <sup>(8)</sup>	-	-	-	-	-	-	231,642
	2016	28,392 <sup>(9)</sup>	-	11,080	-	-	-	-	39,472

### Notes:

- (1) “Share-Based Award” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, Common Share equivalent units and stock.
- (2) “Option-Based Award” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features.
- (3) Option-Based awards are shown using the Black Scholes Value on the date of grant. Calculating the value of stock options using the Black Scholes option pricing model is very different from a simple “in-the-money” value” calculation. In fact, stock options that are well out-of-the-money can still have a significant “grant date fair value” based on the Black Scholes option pricing model, especially where, as in the case of the Corporation, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (4) Mr. Joel Leetzow was reimbursed for tax preparation services provided by PwC.
- (5) Mr. Jason Baird joined the Corporation on November 16, 2017 as VP Finance and Chief Financial Officer.
- (6) Mr. John Gilkison was appointed VP of Sales and Business Development and joined the Corporation May 16, 2016.

- (7) Mr. Gilkison's salary was paid in USD and converted to CAD at a conversion rate of 1.2737. The calculation of Mr. Gilkison's salary includes commissions from sales in the amount of \$83,409.
- (8) Mr. Gilkison's salary was paid in USD and converted to CAD at a conversion rate of 1.3237.
- (9) Mr. Gilkison's salary was paid in USD and converted to CAD at a conversion rate of 1.2979.

## NARRATIVE DISCUSSION

Cortex currently determines the salary of each NEO in alignment with Cortex's overall compensation philosophy which is based on three main principles: alignment of shareholder and employee interests, pay for performance, and our employees being the key to our success.

## OUTSTANDING OPTION- BASED AWARDS AND SHARE-BASED AWARDS

The following table sets forth details of all awards outstanding for each NEO of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name and Title	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)
<b>Joel Leetzow</b> President and Chief Executive Officer	80,000	4.40	June 19, 2022	Nil	53,333	Nil
	150,000	2.28	July 25, 2021	147,000	50,000	73,500
	120,000	4.00	May 4, 2020	Nil	Nil	Nil
<b>Jason Baird</b> VP Finance and Chief Financial Officer	20,000	4.19	Nov 16, 2022	Nil	20,000	Nil
<b>John Gilkison</b> Vice President, Sales and Business Development	12,000	4.19	Nov 16, 2022	Nil	12,000	Nil
	8,000	2.28	July 25, 2021	7,840	2,667	3,920

### Notes:

- (1) Unexercised "in-the-money" options refer to the vested options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at July 31, 2018 (the last day the Common Shares traded in the most recently completed financial year), being \$3.75 per Common Share, and the exercise price of the options.

## STOCK OPTION PLAN AND STOCK OPTIONS

During the financial year ended July 31, 2018, the Corporation granted 20,000 options valued at \$54,155 to Jason Baird and 12,000 options valued at \$32,493 to John Gilkison.

## VALUE VESTED OR EARNED DURING THE YEAR

The following table sets forth for each NEO the value that would have been realized if the options or DSUs granted had been exercised on their vesting date and the value earned under non-equity incentives, all during the year ended July 31, 2018.

Name	Option-Based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-Based awards – Value vested during the year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (\$)
Joel Leetzow	76,000	Nil	Nil
Jason Baird	Nil	Nil	Nil
John Gilkison	4,266	Nil	Nil

### Notes:

- (1) Value is calculated as the difference between the market price of the underlying securities at vesting date and the exercise price of the options under the option-based award.
- (2) Value is calculated as the number of shares multiplied by the market value of the underlying shares on the vesting date.

## COMPENSATION OF DIRECTORS

As of the end of the fiscal year ended July 31, 2018, the Corporation had five (5) directors, one of whom, Joel Leetzow, was also the President and CEO of the Corporation.

The compensation provided to the directors is reviewed annually to ensure the components are equitable and appropriate for directors of a company the size of Cortex. During 2018, the fee structure for cash and equity compensation for non-employee directors was as follows:

	Board Member	Chairman
<b>Annual Retainer</b> (paid in quarterly instalments and prorated for periods of partial service)	\$20,000	\$20,000
<b>Additional Retainer</b> for Chairman of the Board (paid in quarterly instalments and prorated for periods of partial service)	Nil	\$10,000
<b>Deferred Share Units<sup>(1)</sup></b>	\$40,000	\$40,000
<b>Total</b>	\$60,000	\$70,000

### Notes:

- (1) Fair value at the date of issuance.

The current President and CEO, received no compensation for serving as a Director of the Corporation. No additional compensation was paid to our Directors to prepare for Board or Committee meetings. For each meeting of the Board or a Committee, where a Director was required to travel to a meeting

outside of the geographic region in which the Director has his or her usual place of residence, specific expenses were reimbursed.

The following table sets forth all compensation provided to Directors who are not also NEOs (the “Outside Directors”) of the Corporation for the financial year ended July 31, 2018.

Name	Fees Earned (\$)	Share-Based Awards <sup>(1)(2)</sup> (\$)	Option-Based Awards <sup>(3)(4)</sup> (\$)	Non-equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Grant Billing <sup>(5)</sup>	\$30,000	\$40,000	Nil	Nil	Nil	Nil	\$70,000
Mark Ripplinger	\$20,000	\$40,000	Nil	Nil	Nil	Nil	\$60,000
Randy Henderson	\$20,000	\$40,000	Nil	Nil	Nil	Nil	\$60,000
Andrew Gutman <sup>(6)</sup>	\$20,000	\$40,000	Nil	Nil	Nil	Nil	\$60,000
Gregory Mark <sup>(7)</sup>	\$10,000	\$40,000	Nil	Nil	Nil	Nil	\$50,000
Scott Lamacraft <sup>(8)</sup>	\$5,000	Nil	Nil	Nil	Nil	Nil	\$5,000

**Notes:**

- (1) “Share-Based Award” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, Common Share equivalent units and stock.
- (2) Deferred Share Units (“DSU’s”).
- (3) “Option-Based Award” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features.
- (4) Option-Based awards are shown using the Black Scholes Value on the date of grant. Calculating the value of stock options using the Black Scholes option pricing model is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant “grant date fair value” based on the Black Scholes option pricing model, especially where, as in the case of the Corporation, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (5) Mr. Grant Billing was appointed Chairman of the Board on October 24, 2017.
- (6) Mr. Andrew Gutman joined the Board in December 2017 at the Corporation’s AGM.
- (7) Mr. Gregory Mark resigned as director of the Corporation effective February 6, 2018. He was paid director fees up to January 31, 2018. Mr. Mark’s resignation was a result of a potential conflict of interest with his role within another procurement provider organization.
- (8) Mr. Scott Lamacraft did not stand for re-election at the Corporation’s December 2017 AGM. He was paid director fees up to October 31, 2017.

**OUTSTANDING OPTION-BASED AWARDS AND SHARE-BASED AWARDS**

The following table sets forth all option-based and share-based awards provided to Directors who are not also NEOs (the “Outside Directors”) of the Corporation as at the financial year ended July 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 <sup>(1)(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)
Mark Ripplinger	10,000	6.50	Jun 18, 2019	Nil	Nil	Nil
Randy Henderson	10,000	6.50	Jun 18, 2019	Nil	Nil	Nil
Grant Billing	4,000	10.25	Aug 11, 2018	Nil	Nil	Nil
	10,000	6.50	Jun 18, 2019	Nil		
Andrew Gutman	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at July 31, 2018 (the last day the Common Shares traded in the most recently completed financial year), being \$3.75 per Common Share, and the exercise price of the options.

**NARRATIVE DISCUSSION**

No option-based or share-based awards have been awarded to the non-executive directors of the Corporation since the introduction of the Deferred Share Unit Plan.

**STOCK OPTION PLAN AND STOCK OPTIONS**

During the year ended July 31, 2018, Cortex did not issue stock options to independent directors of the Corporation.

**DEFERRED SHARE UNIT PLAN AND DEFERRED SHARE UNITS**

During the financial year ended July 31, 2018, the Corporation granted \$40,000 worth of DSUs or 10,201 units to each non-executive director of the Corporation. The number of DSU's were determined based on the fair value at the date of grant.

On February 6, 2018, Mr. Scott Lamacraft redeemed 36,267.40 DSUs with a fair value of \$146,593. On February 26, 2018, Mr. Gregory Mark redeemed 25,379 DSUs with a fair value of \$95,679.

## VALUE VESTED OR EARNED DURING THE YEAR

The follow table sets forth for each independent Director the value that would have been realized if the options or DSUs granted had been exercised or redeemed on their vesting date and the value earned under non-equity incentives, all during the year ended July 31, 2018.

Name	Option-Based awards Value vested during the year (\$) <sup>(1)</sup>	Share-Based awards Value vested during the year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation Value earned during the year (\$)
Mark Ripplinger	Nil	40,000	Nil
Randy Henderson	Nil	40,000	Nil
Grant Billing	Nil	40,000	Nil
Andrew Gutman	Nil	40,000	Nil

### Notes:

- (1) Value is calculated as the difference between the market price of the underlying securities at vesting date and the exercise price of the options under the option-based award.
- (2) Value is calculated as the number of shares multiplied by the market value of the underlying shares on the vesting date.

## STOCK OPTION RE-PRICING

The Corporation did not make any downward re-pricing of stock options during the fiscal year ended July 31, 2018.

## DEFINED BENEFIT OR ACTUARIAL PLAN DISCLOSURE

The Corporation has no defined benefit or actuarial plans.

## PENSION AND RETIREMENT PLANS

The Corporation does not have any pension or retirement plan which is applicable to the NEOs. The Corporation has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now or previously has acted as an NEO of the Corporation, in connection with or related to the retirement, termination or resignation of such person and the Corporation has provided no compensation to such persons as a result of change of control of the Corporation, its subsidiaries or affiliates. The Corporation is not party to any compensation plan or arrangement with the Executive Officers resulting from the resignation, retirement or termination of employment of such persons.

## **TERMINATION AND CHANGE OF CONTROL BENEFITS**

The Corporation has entered into executive employment agreements with the CEO and the VP Finance & CFO (the "Employment Agreements"). Each of the Employment Agreements provides for the annual base salary, vacation entitlement, benefits and goals and objectives for any potential stock option grant. Each of the Employment Agreements provides that the CEO and VP Finance & CFO would be entitled to a severance amount equal to between 12 and 24 months of his/her total compensation, vesting of share-based awards and benefit package in the event of a change of control of the Corporation.

At July 31, 2018, the NEOs would have been entitled to the following payments upon a change of control of the Corporation: Joel Leetzow \$680,000 and Jason Baird \$200,000 for a total of \$880,000.

## **OTHER COMPENSATION**

Other than as set forth herein, the Corporation did not pay any other compensation to officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

## **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

During the fiscal year ended July 31, 2018, no Director, Executive Officer, senior officer, nominee for election as a director, nor any of their respective associates or affiliates, is, or has been at any time since the beginning of the last completed fiscal year, indebted to the Corporation or its subsidiary nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

## **INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Other than as set forth herein or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or Executive Officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding fiscal year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

<b>Plan category</b>	<b>Number of securities to be issued upon exercise/redemption of outstanding options, warrants and rights</b>	<b>Weighted-average exercise/redemption price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column)<sup>(1)</sup></b>
Equity compensation plans approved by security holders	550,328 <sup>(2)</sup>	\$3.62	277,101
Equity compensation plans not approved by security holders	N/A	N/A	N/A

### **Notes:**

- (1) The aggregate number of Common Shares that may be reserved for issuance under the Plan shall not exceed 10% of the Corporation's issued and outstanding Common Shares. At the end of the most recently completed financial year, the number of Common Shares issued and outstanding was 9,137,700.
- (2) Of the 550,328 options outstanding, 330,073 were exercisable as of the end of the Corporation's most recently completed financial year.

## **MANAGEMENT CONTRACTS**

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

## **INTEREST OF RELATED PARTIES IN MATTERS TO BE ACTED UPON**

Other than as set forth herein or as previously disclosed, the Corporation is not aware of any other material interest of any insider or related party of the Corporation or associate or affiliate thereof, in any matter to be acted upon at the Meeting.

## **AUDITOR**

PricewaterhouseCoopers LLP, the current auditor of the Corporation, was appointed auditor of the Corporation effective November 27, 2013 by the Board of Directors. The Corporation has re-appointed PricewaterhouseCoopers, LLP their auditors effective for the year ended July 31, 2018.

Also see "Audit Committee" in the Corporation's Annual Information Form for the year ended July 31, 2018 for information relating to the Audit Committee, including its mandate and composition and fees paid to the Corporation's auditors. The information is incorporated by reference herein.

## **CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day to day management of the Corporation. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Corporation has implemented an Audit Committee Charter and a Whistle Blower Policy. The Corporation also has a Corporate Governance Committee and a Compensation Committee, each of which is described in more detail below.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) which came into effect for financial years ending on or after June 30, 2005, the Corporation is required to disclose its corporate governance practices as summarized below.

### **CORPORATE GOVERNANCE COMMITTEE**

#### **A. Purpose and Authority**

This Charter governs the operations of the Corporate Governance Committee (the “Committee”). The purpose of the Committee is to advise the Board of Directors of Cortex Business Solutions (the “Corporation”) on enhancing its corporate governance through a continuing assessment of the Corporation’s approach to corporate governance and to make policy recommendations with respect to board and committee effectiveness. The committee shall report to the Board on a regular basis and not less than once a year.

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day to day management of the Corporation. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Corporation has implemented an Audit Committee Charter and a Whistle Blower Policy.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) which came into effect for financial years ending on or after June 30, 2005, the Corporation is required to disclose its corporate governance practices as summarized below.

#### **B. Organization**

The Committee shall be appointed by the Board of Directors and shall comprise at least three directors, the majority of whom are independent of management and the Corporation. Members of the committee shall be considered independent if they have no relationship that may interfere with

the exercise of independence from management and the Corporation and if they meet all criteria required by applicable laws.

### C. Responsibilities

The corporate governance committee is responsible for:

- regularly reviewing the Corporation's approach to corporate governance to ensure that best practices are achieved;
- assessing, at least annually the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board);
- making recommendations to the Board for its approval from time to time as to changes that the Committee believes to be desirable to the size of the Board or any committee thereof;
- identifying and interviewing individuals believed to be qualified to become board members, and recommending to the board for its approval the slate of candidates to stand for election as directors at the annual meeting of shareholders;
- ensuring programs are in place for the orientation of new directors and the ongoing development of all directors;
- making recommendations to the Board of Directors regarding appointments of corporate officers and senior management;
- considering and reviewing, and if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;
- reviewing and assessing the effectiveness of independent Board leadership and making recommendations of any changes required to the Board for its approval;
- reviewing and approving the internal communications plan prepared by management;
- acting as a forum for concern of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
- preparing, reviewing and approving the Statement of Corporate Governance Practices required by the TSX to be included in the Corporation's annual management information circular and any similar disclosure required under applicable law;
- making recommendations to the Board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report of circular;

- reviewing and reassessing this Charter, the corporate governance principles of the board and the charters of the other board committees on a regular basis and recommending changes as appropriate for the approval of the Board of Directors;
- establishing, reviewing and updating periodically a Code of Business Conduct and Ethics (the “Code”) and ensure that management has established a system to monitor compliance with the Code; and
- reviewing management’s monitoring of the Corporation’s compliance with the Code.

#### **D. Meetings**

- The Committee shall meet at least once each year and at such other times as it deems necessary to fulfill its responsibilities. Meetings of the Committee may be called by any member of the Committee or by the Board of Directors.
- Notice of meetings may be given by any reasonable means including the scheduling of regular meetings at the preceding meeting of the Committee or Board of Directors.
- Agendas, as approved by the Chair, will be circulated to Committee Members along with background information on a timely basis prior to the Committee meetings.
- Quorum for a meeting of the Committee shall be a majority of the members.
- Meetings shall be chaired by the Chairman of the committee who shall be appointed by the Board of Directors. If the Chairman cannot attend a meeting, the members present shall elect a Chairman for the meeting.
- The Chairman shall also act as Secretary to the meeting. Minutes of meetings shall be recorded and maintained in accordance with applicable law.

### **COMPENSATION COMMITTEE**

#### **A. Purpose and Authority**

This Charter governs the operations of the Compensation Committee (the “Committee”). The purpose of the committee is to review and approve the compensation of directors and the CEO of Cortex Business Solutions (the “Corporation”) and advise the Board and the Corporation on compensation and incentive policy. The committee shall report to the board on a regular basis and not less than once a year.

#### **B. Organization**

The committee shall be appointed by the Board of Directors and shall comprise at least three directors, the majority of whom are independent of management and the Corporation. Members of the committee shall be considered independent if they have no relationship that may interfere with the exercise of independence from management and the Corporation and if they meet all criteria required by applicable laws.

## C. Responsibilities

The compensation committee is responsible for:

- reviewing the compensation practices and policies and making recommendations to the Board with respect to the overall compensation strategy for directors, officers and employees of the Corporation to ensure that they are competitive and that they provide appropriate motivation for corporate performance and increased shareholder value;
- recommending annual and long-term performance goals and objectives for the senior executive officers to the board for its approval;
- setting guidelines for determining the short-term and long-term compensation of senior executive officers based on the Corporation's performance and relative shareholder return, the compensation of senior executive officers at comparable companies, compensation in previous years, the experience and skills of the officer and any other factor the committee determines to be relevant. The compensation committee may rely upon relevant information provided by management and external compensation consultants in making their determination;
- evaluating the performance of the CEO in light of the approved performance goals and objectives and determining his compensation;
- assisting the CEO as necessary in determining the compensation of the other senior executive officers;
- reviewing and making recommendations to the independent members of the Board with respect to the compensation of the Executive Chairman;
- making recommendations to the board with respect to incentive based compensation plans and equity based plans including the Corporation's Stock Option Plan and Share Purchase Plans;
- Reviewing and making recommendations to the Board regarding the annual base salary and bonus targets for the senior executives of the Corporation;
- considering the implications of the risks associated with the Corporation's compensation policies and practices;
- reviewing and recommending the compensation for independent directors and committee members for approval by the board;
- reviewing and approving the Executive Compensation disclosure required by the TSX Venture Exchange to be included in the Corporation's annual management information circular and any similar disclosure required under applicable law; and
- reviewing and assessing its mandate with respect to the Corporation's goals and objectives.

#### **D. Meetings**

- The committee shall meet at least once each year and at such other times as it deems necessary to fulfill its responsibilities. Compensation Committee meetings will be called by the chair as per a predetermined schedule or ad hoc at the request of the Board or any member of the committee.
- Notice of meetings may be given by any reasonable means including the scheduling of regular meetings at the preceding meeting of the committee or Board of Directors.
- Agendas, as approved by the Chair, will be circulated to Committee Members along with background information on a timely basis prior to the Committee meetings.
- Quorum for a meeting of the committee shall be a majority of the members.
- Meetings shall be chaired by the Chairman of the committee who shall be appointed by the Board of Directors. If the Chairman cannot attend a meeting, the members present shall elect a Chairman for the meeting.
- The Chairman shall also act as Secretary to the meeting. Minutes of meetings shall be recorded and maintained in accordance with applicable law.

#### **BOARD OF DIRECTORS**

The Board of Directors is currently comprised of six (6) members. Six of these individuals are standing for re-election at the Meeting.

NI 58-101 suggests that the Board of Directors of a public corporation should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgement. As disclosed above, the Board of Directors is comprised of a majority of independent directors. The independent judgment of the Board of Directors in carrying out its responsibilities is the responsibility of all directors. The Board of Directors of the Corporation facilitates independent supervision of management through meetings of the Board of Directors. In addition, the Board of Directors have free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers.

#### **DIRECTORSHIPS**

Randy Henderson is a director of Harvest Operations Corp and Chairman of the Audit Committee. Mr. Henderson also is a member of the Audit Committee for the Province of Alberta. Grant Billing is a Director and Chairman of Tervita Corporation. Mr. Billing is also a director of Badger Daylighting and is a member of the Audit and the Health, Safety and Environment Committees. Joel Leetzow currently serves on the Board of LED Medical Diagnostics Inc. Andrew Gutman is Chairman of the Board of BSM Technologies and also services as a member of their Audit Committee and Corporate Governance Committee.

## **ORIENTATION AND CONTINUING EDUCATION**

The Corporation is currently considering preparing a Board Policy Manual which will provide a comprehensive introduction to the Board and its committees. At present, each new director is given an outline of the nature of the Corporation's business, its corporate strategy and current issues with the Corporation. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and will be advised by counsel to the Corporation of their legal obligations as directors of the Corporation.

The Board Policy Manual, if prepared, is expected to be reviewed on an annual basis and a revised copy will be given to each director.

The introduction and education process will be reviewed on an annual basis by the Board of Directors and will be revised as necessary.

## **ETHICAL BUSINESS CONDUCT**

The Code of Business Ethics has been put into place effective February 12, 2008.

The Board of Directors has established a Whistle Blower Policy, which is Addendum "A" to the Audit Committee Charter and establishes the complaint procedure for concerns about any aspect of the Corporation's activities and operations.

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the 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 officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

## **NOMINATION OF DIRECTORS**

The Board of Directors has not appointed a nominating committee. The Board regularly reviews both the size and composition of its membership to ensure it has the necessary skills and experience to exercise appropriate stewardship and oversight of the Corporation. Should new or additional

directors be required, the Governance Committee determines and the Board approves the criteria required of a candidate to ensure a diverse set of skills and experience is present on the Board. The Board has then relied upon searches conducted by the Governance Committee to identify suitable candidates and will use professional search assistance as necessary.

## **ASSESSMENTS**

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Corporation's size, its stage of development and the limited number of individuals on the Board of Directors, the Board of Directors consider a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board of Directors members or committee members.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the Board of Directors of the Corporation, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

### **1. Report and Consolidated Financial Statements**

The Board of Directors of the Corporation has approved all of the information in this Management Information Circular and the Audited Consolidated Financial Statements of the Corporation for the year ended July 31, 2018, copies of which can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### **2. Fix Number of Directors to be Elected**

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by Shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that six (6) directors be elected to hold office until the next annual meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at six (6).**

### **3. Election of Directors**

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Corporation that the nominee has advised are beneficially

owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general and special meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Alberta).

Name and Place of Residence	Position with the Corporation and Year first Appointed a Director	Principal Occupation During Past Five Years	Number of Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Randy Henderson <sup>(2)(3)(4)</sup> Calgary, Alberta	Director since June 2011	Mr. Henderson is a Chartered Accountant, ICD.D, senior finance executive and corporate director who has consulted to the board of directors and executive management teams since 2005. Since 2001, Mr. Henderson has served in either a full-time or consulting capacity as the Chief Financial Officer of several significant public and private entities. Currently, he is President of Henderson Corporate Financial Consulting Inc. Mr. Henderson has been a director of Cortex Business Solutions Inc. since 2011 and Harvest Operations Corp since 2013. He became Chairman of the Board of Cortex in 2014 until 2017 and currently is Chairman of the Audit Committee. He has been the Chairman of the Audit Committee at Harvest since joining the Board. Since 2014 he has also served as a member of the Audit Committee of the Province of Alberta. He previously served as a Director of PGNX Capital Corp. from 2008 to 2014.	11,900 0.13%
Mark Ripplinger <sup>(2)(3)(4)</sup> Markham, Ontario	Director since July 2006	Mr. Ripplinger is currently President and Chief Executive Officer of Everlink Payment Services and President, Mark Ripplinger Consulting Services. Previously, Mr. Ripplinger held executive positions with several major organizations, including: Vice-President, Technology and CIO with Canadian Payments Association (CPA); Senior Vice-President and CIO with ATB Financial; Vice-President and CIO with Crown Life Insurance Company; Vice-President of Systems with Co-Operators Financial Services; Partner with Sierra Systems; Business Development Executive with EDS; Solutions Development Manager with Cisco Systems; and Director, Sales & Marketing with CDSL/CGI.	50,000 0.55%

Name and Place of Residence	Position with the Corporation and Year first Appointed a Director	Principal Occupation During Past Five Years	Number of Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Grant Billing <sup>(2)(3)(4)</sup> Calgary, Alberta	Director since November 2013	Mr. Billing (BSc. CA) is an independent businessman and corporate director since November 2011. He is currently Chairman of the Board of Directors and was Chairman of the Audit Committee from 2015 - 2017. Prior to joining Cortex, he has over 30 years' experience in various senior management roles such as the Chairman and CEO of Superior Plus Corp., President and CEO of Norcen Energy Resources Ltd., Director of Pembina Pipeline Corporation and Sceptre Resources Limited. Mr. Billing has served as a Director of several Public Companies and is currently a Director and Chairman of Tervita Corporation and a Director of Badger Daylighting. He is a Chartered Accountant and received his Bachelor of Science degree from the University of Calgary.	85,000 0.93%
Andrew Gutman <sup>(2)(5)(4)(5)</sup> Park City, Utah	Director since December 2017	Mr. Gutman since 2015 has been Chairman of the Board of BSM Technologies (TSX:GPS) and also serves as a member on their Audit Committee and Corporate Governance Committee. Mr. Gutman has more than 10 years' experience in private equity/venture capital, as well as 20 years of experience in managing and advising profitable, growth, and acquisition-oriented software companies. In addition to his role as the prior Chief Executive Officer of Webtech, Mr. Gutman was also the Chief Executive Officer of Speedware Corporation from 2001 - 2005, TSB Corporation from 1999 - 2000 and Mobile Computing Corporation from 1999 - 2008. He was President of the Park City Lacrosse Organization and Founder and President of the Park City Angel Investing Network.	Nil
Alice Reimer <sup>(2)(3)(4)(6)</sup> Calgary, Alberta	Director since August 2018	Ms. Reimer is a successful technology entrepreneur and dedicated community leader and mentor. Ms. Reimer co-founded Calgary-based Evoco, leading the innovative SaaS firm from initial concept through to a 2012 acquisition. Evoco's technology became the standard construction management system for global retailers including Walmart, Home Depot, and Staples. Most recently, Ms. Reimer was the CEO of Chaordix, a pioneering software leader in the crowdsourcing and open innovation space, with global clients including LEGO, Procter & Gamble, KPMG, and IBM. Ms. Reimer was the recipient of PROFIT's W100 designation as one of Canada's Top Female Entrepreneurs and was named one of Alberta's 50 Most Influential People for 2013. Ms. Reimer was recently awarded the 2016 Rod Charko Service Award, established to recognize an individual who has gone above and beyond to enhance the technology ecosystem in Alberta.	Nil
Joel Leetzow Calgary, Alberta	Director since May 2015	Prior to joining Cortex, Mr. Leetzow served as the President of Scancode, a Toronto-based software company that was acquired by Descartes Systems Group in 2009. Mr. Leetzow led several technology-based initiatives across North America where he successfully directed product management projects, established strong customer growth, and created sales and marketing strategies. Mr. Leetzow joins Cortex with more than 25 years of leadership experience within technology companies in both Canada and the United States.	14,725 0.16%

**Notes:**

- (1) The information as to shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective nominees. Percentages based on 8,984,704 Common Shares outstanding on the Effective Date.
- (2) Denotes members of the Audit Committee.
- (3) Denotes members of the Compensation Committee.
- (4) Denotes members of the Corporate Governance Committee.
- (5) Mr. Andrew Gutman joined the Corporation on December 5, 2017.

- (6) Ms. Alice Reimer joined the Corporation on August 1, 2018.

Pursuant to the provisions of the *Business Corporations Act* (Alberta), the Corporation is required to have an Audit Committee. The general function of the Audit Committee is to review the overall audit plan and the Corporation's system of internal controls, to review the results of the external audit, and to resolve any potential dispute with the Corporation's auditors. The Audit Committee of the Corporation currently consists of Randy Henderson (Chairman), Grant Billing, Andrew Gutman, Alice Reimer and Mark Ripplinger.

### **Bankruptcies and Cease Trade Orders**

No proposed director, within 10 years before the date of this Management Information Circular, has been a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Personal Bankruptcies**

No proposed director has within 10 years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

### **Penalties and Sanctions**

Other than as stated elsewhere herein, no proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **4. Appointment of Auditor**

The Corporation's Bylaws provide that the auditors of the Corporation will be selected at each annual meeting of shareholders. PricewaterhouseCoopers LLP, the current auditor of the Corporation, was appointed auditor of the Corporation effective November 27, 2013 by the Board of Directors.

Accordingly, shareholders will consider an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, to serve as auditor for the Corporation until the close of the next annual general meeting of shareholders, and to authorize the Board of Directors to fix the remuneration as such.

Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing PricewaterhouseCoopers LLP Chartered Accountants, of Calgary, Alberta, as auditor of the Corporation for the next ensuing year, to hold office until the close of the next annual meeting of shareholders or until they are removed from office or resign as provided by the Corporation's by-laws, and the Management Designees also intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the board of directors to fix the compensation of the auditor.

#### **5. Re-approval of the Stock Option Plan**

The Corporation has in place the Option Plan which was approved by the Board of Directors and ratified by the Shareholders of the Corporation at the Annual Meeting held on December 5, 2017. A copy of the 2018 Stock Option Plan can be found in the Management Information Circular of the Corporation dated November 1, 2017 and filed on SEDAR on November 8, 2017. For a description of the Stock Option Plan, please refer to "*Executive Compensation Discussion and Analysis*" section above.

Section 2.9 of Policy 4.4 of the TSX Venture Exchange requires that a "rolling" stock option plan, such as the Option Plan, must receive shareholder approval on an annual basis. In accordance with Policy 4.4, shareholders will be asked to consider and if thought fit, approve an ordinary resolution re-approving and confirming the Option Plan. In order for the resolution approving and adopting the Option Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

**"BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE CORPORATION THAT:**

- 1. the Corporation's 2019 Stock Option Plan (the "Option Plan") in the form attached as Exhibit A to the Management Information Circular of the Corporation dated November 1, 2018 be and is hereby approved and adopted as the Option Plan of the Corporation;**
- 2. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;**

3. any officer or director of the Corporation be and is hereby authorized to execute all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to the Option Plan as herein contemplated and the Board of Directors from time to time is authorized to grant options in the capital stock of the Corporation pursuant to and in accordance with the Option Plan; and
4. the Corporation is authorized to reserve and issue Common Shares in the capital of the Corporation for issuance upon exercise of stock options granted pursuant to the Option Plan.”

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving and confirming the 2019 Option Plan.

#### **6. Approval of the Deferred Share Unit Plan**

The Corporation currently has in place the DSU Plan approved by the Board of Directors and ratified by the Shareholders of the Corporation at the Annual Meeting held on December 5, 2017. A copy of the 2018 DSU Plan can be found in the Management Information Circular of the Corporation dated November 1, 2017 and filed on SEDAR on November 8, 2017.

On October 23, 2018, the Board of Directors approved amendments to the DSU Plan. Under the amended DSU Plan, DSU awards to Directors who are not executive officers, vest immediately upon grant. DSUs granted to executive officers will be subject to a vesting period, whereby one-third of the DSUs granted will vest twelve months following the date of grant, a further one-third will vest twenty-four months following the date of grant, and the final one-third of the DSUs will vest thirty-six months following the date of grant. The DSU Plan was also amended to ensure compliance with certain U.S. tax laws.

Section 2.9 of Policy 4.4 of the TSX Venture Exchange requires that a “rolling” option plan, such as the DSU Plan, must receive shareholder approval on an annual basis. In accordance with Policy 4.4, shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving and confirming the DSU Plan. In order for the resolution approving and adopting the DSU Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

#### **“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE CORPORATION THAT:**

1. the Corporation’s 2019 Deferred Share Unit Plan (the “DSU Plan”) in the form attached as Exhibit B to the Management Information Circular of the Corporation dated November 1, 2018 be and is hereby approved and adopted as the DSU Plan of the Corporation;
2. the form of the DSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;

3. any officer or director of the Corporation be and is hereby authorized to execute all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to the DSU Plan as herein contemplated and the Board of Directors from time to time is authorized to grant deferred share units of the Corporation pursuant to and in accordance with the DSU Plan; and
4. the Corporation is authorized to reserve and issue Common Shares in the capital of the Corporation for issuance upon redemption of deferred share units granted pursuant to the DSU Plan.”

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution approving and confirming the 2019 DSU Plan.

### **OTHER BUSINESS**

While there is no other business other than that mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

### **GENERAL**

**Unless otherwise directed, it is management’s intention to vote the proxies in favour of the resolutions set forth herein.** All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All other matters to be brought before the Meeting, including ordinary resolutions, require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. All approvals by disinterested shareholders require the approval of the shareholders not affected by, or interested in, the matter to be approved.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information of the Corporation’s most recently completed financial year is provided in the Corporation’s comparative Financial Statements and Management Discussion and Analysis available on SEDAR. A Shareholder may contact the Corporation at Suite 130 - 115 Quarry Park Road SE, Calgary, Alberta, T2C 5G9 Attention: Jason Baird, VP Finance & CFO, to obtain a copy of the Corporation’s most recent Financial Statements and Management Discussion and Analysis.

### **BOARD APPROVAL**

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Corporation.

**DATED** this 1<sup>st</sup> day of November, 2018.

## Exhibit A

### 2019 STOCK OPTION PLAN

#### 1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of Cortex Business Solutions Inc., a corporation incorporated under the *Business Corporations Act* (Alberta) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

#### 2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

Each option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

### 3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Shares of the Corporation are then listed and any other regulatory body having jurisdiction (hereinafter collectively referred to as, the “Exchange”).

### 4. Shares Subject to Plan

Subject to adjustment as provided in Section 16 hereof, the Shares to be offered under the Plan shall consist of Shares of the Corporation's authorized but unissued Shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

### 5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

### 6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

## 7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that in the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

## 8. Number of Optioned Shares

- (a) The aggregate number of Shares that may be issued pursuant to the exercise of Options awarded under the Plan and all other security based compensation arrangements of the Corporation is 10% of the issued and outstanding Shares from time to time, subject to the following additional limitations:
  - (i) the aggregate number of Shares reserved for issuance to any one person under the Plan, together with all other security based compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Shares (on a non-diluted basis);
  - (ii) in the aggregate, no more than 10% of the issued and outstanding Shares (on a non-diluted basis) may be reserved at any time for insiders as defined in subsection 1(i) of the *Securities Act (Alberta)* and includes an associate, as defined in subsection 1(a.1) of the *Securities Act (Alberta)* ("Insider(s)") under the Plan, together with all other security based compensation arrangements of the Corporation;
  - (iii) the number of securities of the Corporation issued to Insiders, within any one year period, under all security based compensation arrangements, cannot exceed 10% of the issued and outstanding Shares;
  - (iv) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries);
  - (v) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Corporation in any twelve month period to persons employed to provide investor relations activities. Options granted to Consultants performing investor relations activities will contain

vesting provisions such that vesting occurs over at least 12 months with no more than  $\frac{1}{4}$  of the options vesting in any 3 month period; and

- (vi) the number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

## 9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 12 and 13, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange Inc. (“**TSX Venture**”), the maximum term may not exceed 10 years. The TSX does not impose a maximum term for the duration of an option.

Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. The ten business day period referred to in this paragraph may not be extended by the Board.

“Black Out Period” means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any policy of the Corporation respecting restrictions on trading that is in effect at that time.

## 10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 12 and 13 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist – *see attached vesting schedule*.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.

- (d) Except as set forth in Sections 12 and 13, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

## 11. Change in Control

If, prior to the expiry date of the Option, or exercise in full of the Option granted hereby, the Corporation shall, at any time arrange with or merge into another corporation, or the Shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation, or another corporation or entity, through re-organization, re-capitalization, re-classification, stock dividend, subdivision, consolidation, take-over bid, exempt take-over bid, issuer bid or exempt issuer bid, or other change in control of the Corporation (collectively, “**Reorganization**”), the Optionee will thereafter receive, upon the exercise of the Option, the securities or properties to which a holder of the number of shares then deliverable upon the exercise of the Option would have been entitled upon such Reorganization, and the Corporation will take steps in connection with such Reorganization as may be necessary to assure that the provisions hereof shall thereafter be applicable, in relation to any securities or property thereafter deliverable upon the exercise of the Option granted hereby. A sale of all or substantially all of the assets of the Corporation for consideration, (apart from the assumption of obligations), consisting primarily of securities, shall be deemed to be a Reorganization for the foregoing purposes.

Notwithstanding any vesting provisions contained herein or the Option Agreements, in the event of a Reorganization during the term of this Agreement, the Option shall vest in whole as a fully vested and irrevocable Option as of and from the date set by the Board of the Corporation in its sole discretion, or from the date that is one month prior to the effective date of the Reorganization, whichever is earlier.

## 12. Ceasing To Be a Director, Officer, Consultant or Employee

Subject to Section 13, if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management

Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.

Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

### **13. Death of Participant**

Notwithstanding section 12, in the event of the death of a Participant, any non-vested options will vest upon death and the option previously granted to him shall be exercisable only within one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

### **14. Rights of Optionee**

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

### **15. Proceeds from Sale of Shares**

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

### **16. Adjustments**

If the outstanding Shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, or any adjustment relating to the Shares optioned or issued on exercise of options, or the exercise price per share as set forth in the respective stock option agreements, shall be adjusted in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

## 17. Withholding Taxes

The Corporation shall have the authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by the Participant to the Corporation, of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with this Plan, or any issuance of Shares. Without limiting the generality of the foregoing, the Corporation may, in its sole discretion:

- (a) deduct and withhold additional amounts from other amounts payable to a Participant;
- (b) require, as a condition of the issuance of Shares to a Participant that the Participant make a cash payment to the Corporation equal to the amount, in the Corporation's opinion, required to be withheld and remitted by the Corporation for the account of the Participant to the appropriate governmental authority and the Corporation, in its discretion, may withhold the issuance or delivery of Shares until the Participant makes such payment; or
- (c) sell, on behalf of the Participant, all or any portion of Shares otherwise deliverable to the Participant until the net proceeds of sale equal or exceed the amount which, in the Corporation's opinion, would satisfy any and all withholding taxes and other source deductions for the account of the Participant.

## 18. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

## 19. 2018 Stock Option Plan

Upon receipt of all approvals that may be required pursuant to Section 21 hereof, the Plan will replace the current stock option plan of the Corporation that was attached as Schedule A to the Corporation's Management Proxy and Information Circular dated November 1, 2017 (the "2018 Stock Option Plan") and on the date of receipt of all such approvals, the 2018 Stock Option Plan will be of no further force and effect. All options and stock option agreements issued under the 2018 Stock Option Plan shall thereafter be deemed to be issued under the Plan and thereafter shall be governed under the Plan.

## 20. Amendment and Termination of Plan

Subject to applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to applicable approval of the Exchange, the Board may also at any time amend or revise the terms of the Plan; provided that no such amendment or revision shall result in a material adverse change to the terms of any options theretofore granted under the Plan, unless shareholder

approval, or disinterested shareholder approval, as the case may be, is obtained for such amendment or revision.

## **21. Necessary Approvals**

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

## **22. Effective Date of Plan**

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

## **23. Interpretation**

The Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

## STOCK OPTION VESTING SCHEDULE 2019

Options issued for the 2019 option plan will vest as follows:

Issue date	No vest
1 year after issue date	1/3 vest
2 years after issue date	1/3 vest
3 years after issue date	1/3 vest

## EXHIBIT B

### CORTEX BUSINESS SOLUTIONS INC.

#### DEFERRED SHARE UNIT PLAN

##### Plan Purpose

The purpose of the Deferred Share Unit Plan for (the “**Plan**”) is to provide to independent members of the board of directors and selected executives an additional motivation to promote sustained improvement in the Corporation’s business performance and shareholder value by allowing them to have all or a part of their annual director fees (the “**Compensation**”) or performance incentive awards (the “**Award**”) tied to the long term growth in value of the Corporation’s common shares (“**Common Shares**”).

##### Description of Units

This motivation is provided by the grant of Deferred Share Units (the “**DSU**”), which give the Plan participant the right, subject to the terms and conditions herein, to receive from the Corporation, upon termination of employment with the Corporation, or an affiliate of the Corporation designated for the purpose of this Plan (the “**Designated Affiliate**”), an amount in respect of each DSU that is equal to the Redemption Price (as defined below) of the DSU.

The Redemption Price of a DSU for a Plan participant is the average of the closing prices of the Common Shares on TSX Venture Exchange Inc. or the Toronto Stock Exchange (collectively, the “**Exchange**”) for the five consecutive trading days (the “**Average Closing Price**”) immediately prior to the Redemption Date (as defined below).

In the event of a Change of Control, the Average Closing Price will be calculated based on the five consecutive trading days immediately prior to the date the shares of the Corporation are delisted from the principal exchange upon which the Common Shares are then listed. For the purposes of this section, “Change of Control” shall mean the completion of any consolidation, merger or amalgamation of the Corporation with or into any other entity resulting in the delisting of the Common Shares from public trading on the Exchange or any other public exchange on which the Corporation is then listed.

##### Eligibility and Awards

DSUs will be granted only to those independent directors or executives who are selected by the Corporation, from time to time, to be a Plan participant and who, within the time periods and in the form of election specified by the Corporation, elect to receive all or a part of the Plan participant’s Compensation or Award in DSUs. Grants under this Plan will not necessarily occur annually.

The number of DSUs granted to a Plan participant for any year will be determined by dividing (i) the dollar amount of the Compensation or Award that the Plan participant elected to receive as DSUs for that year by (ii) the Average Closing Price immediately prior to the earliest date, as determined by the

Corporation, that the Compensation or Award would have been paid to the Plan participant (the “**Payment Date**”). Those DSUs will be granted effective the Payment Date.

A Plan participant will be granted additional DSUs, in respect of the Plan participant’s unredeemed DSUs, on the dividend payment dates for the Common Shares. The number of such additional DSUs will be determined for each cash dividend payment date by (i) dividing the cash dividend payable for a common share of the Corporation by the Average Closing Price immediately prior to the payment date for that dividend and then (ii) multiplying that resultant number by the number of unredeemed DSUs held by the Plan participant on the record date for the determination of shareholders entitled to receive payment of such cash dividend.

Any fractional DSUs that are granted to a Plan participant will be rounded to the nearest tenth of a DSU.

If the Corporation believes that a Plan participant (1) may have engaged in activity that may be detrimental to the Corporation, or (2) may have accepted employment with another employer or otherwise intended to terminate employment with the Corporation or Designated Affiliate other than with the consent of Corporation, the Corporation may suspend such Plan participant’s DSUs pending an investigation of the matter.

The grant of DSUs is provisional until payment as provided for in section titled “Method of Payment” is paid in settlement thereof, except to the extent the Corporation shall have declared the DSUs to be vested and non-forfeitable. If, while the grant of DSUs is provisional, (1) the Plan participant terminates employment with the Corporation or a Designated Affiliate other than with the Corporation’s consent, except for termination of employment due to death, or (2) the Plan participant is determined by the Corporation to have engaged in activity that is detrimental to the Corporation, the DSUs shall be forfeited, if the Corporation so determines, as of the date of the Termination Event (as such term is defined in section titled “Redemption of DSUs”), or the date such activity is determined by the Corporation to be detrimental, as the case may be.

## Vesting

DSUs granted to members of the board of directors who are not executive officers of the Corporation shall vest immediately upon granting. DSUs granted to executive officers of the Corporation shall vest in accordance with the following schedule:

Date of grant	No vesting
1 year after date of grant	1/3 vest
2 years after date of grant	1/3 vest
3 years after date of grant	1/3 vest

Upon a Termination Event (as defined in the next section), DSUs that have been granted to executive officers of the Corporation but not yet vested, shall be forfeit.

Notwithstanding the vesting provisions in this section, in the event of a Change of Control, all DSUs granted hereunder shall vest in whole as of and from the date set by the Board of the Corporation in

its sole discretion, or from the date that is one month prior to the effective date of the Change of Control, whichever is earlier.

### **Redemption of DSUs**

Subject to the vesting provisions described in the immediately preceding section, DSUs may be redeemed immediately upon the occurrence of any of the following events of termination, and any such event of termination is hereinafter defined as a **“Termination Event”**:

- retirement of the Plan participant, either from the Corporation or a Designated Affiliate;
- termination of employment, either with the Corporation or a Designated Affiliate; or
- termination of employment with the Corporation or a Designated Affiliate due to death of the Plan participant.

Notwithstanding the forgoing, for any Participant who is a U.S. taxpayer, a “termination Event” must qualify as a separation from service within the meaning of Section 409A of the U.S. Internal Revenue Code (“Section 409A”).

No DSU may be redeemed unless all of the DSUs granted to a Plan participant are redeemed by the Plan participant on the same date.

DSUs may be redeemed by a Plan participant by a written notice of redemption sent to the Corporation at such address as the Corporation may specify from time to time. The Plan participant must specify in the notice of redemption a redemption date for the DSUs granted to the Plan participant (the **“Redemption Date”**), which Redemption Date must be not earlier than the date of actual receipt by the Corporation of the written notice to redeem DSUs. In addition, except for U.S. taxpayers as set forth below, the Redemption Date of a Plan participant’s DSUs must be no later than December 31 of the year following the year in which the Termination Event occurs (the **“Final Redemption Date”**). If a Plan participant’s DSUs are not redeemed by the Plan participant by the Final Redemption Date, then those DSUs will be deemed to be redeemed on the Final Redemption Date.

For U.S. taxpayers, the Redemption Date shall be as soon as administratively practicable after the Termination Event, but in no event later than the earlier of (a) sixty (60) days after the Termination Event occurs, or (b) December 31 of the year in which the Termination Event occurs.

### **Method of Payment**

The Corporation, at its sole and absolute discretion, shall have the option to settle any DSU and pay the Participant the Redemption Price by any of the following methods or by a combination of such methods:

- (i) payment in cash;
- (ii) payment in Common Shares acquired by the Corporation on the Exchange;

- (iii) payment in Common Shares issued from the Corporation's treasury; or
- (iv) any combination of the above.

In the case of subsections 5(a)(ii) or 5(a)(iii) above, the number of Common Shares to be issued to settle the DSU will be determined by the Redemption Price divided by Average Closing Price of the Common Shares on the Redemption Date.

The Corporation shall notify the Participant, within two (2) business days from the date of receipt of the notice of redemption from the Participant, which method of payment the Corporation has elected.

Payments will be reduced by any amount required to be withheld by any government authority. In the event that the Corporation has elected to settle any DSU via payment in Common Shares, the Corporation shall also notify the Participant of his tax withholding obligation and shall not be obligated to deliver to the Participant the Common Shares until the Participant has tendered a cheque to the Corporation for the withholding amount.

After receipt of the withholdings from the Participant the Company will deliver the common shares within three (3) business days, notwithstanding uncontrollable delays from the transfer agent.

No fractional Common Shares shall be issued pursuant to this section. In the event that a Participant would otherwise be entitled to a fractional Common Share hereunder, the number of Common Shares issued to such Participant shall be rounded down to the next lesser whole number of Common Shares. In calculating such fractional interests, all DSUs held by such Participant shall be aggregated.

### **Significant Changes**

In the case of any subdivision, consolidation, reclassification of the shares of the Corporation, or other relevant change in the capitalization of the Corporation or the payment of a dividend on the shares of the Corporation other than in cash, the Corporation, in its discretion, may make appropriate adjustments in the number and Redemption Price of granted DSUs, and an adjustment by the Corporation shall be conclusive as to the number of DSUs and Redemption Price for a DSU and shall be final and binding upon all persons.

### **Section 409A Compliance**

For U.S. taxpayers:

- If a Participant is a "specified employee" within the meaning of Section 409A at the time of the Participant's termination, then, if required under Section 409A, payments under the Plan that are otherwise due to the Participant on or within the six (6) month period following the Participant's termination will accrue, without interest, to the extent required to avoid imposition of any additional tax or income recognition prior to actual payment to the Participant under Section 409A, during such six (6) month period and will become payable in a lump sum payment on the date seven (7) months and one (1) day following the date of the Participant's termination of employment or the date of the Participant's death, if earlier.

Each payment and benefit payable under the Plan is intended to constitute a separate payment for purposes of 26 C.F.R 1.409A-2(b)(2).

- The foregoing provisions are intended to comply with the requirements of Section 409A so that none of the payments hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. The Company may, but is not required, to consider amendments to this Plan and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to a Participant under Section 409A.

Notwithstanding anything to the contrary, the Company makes no guarantee regarding the tax treatment of any payments made hereunder and each Participant shall be fully responsible for his or her own taxes with respect to rights, payments and benefits, if any, afforded under the Plan.

### **Other**

The Corporation reserves the right to amend, suspend, or terminate the Plan at any time with respect to future grants of DSUs, including but not restricted to the future grant of DSUs after a Plan participant has elected to receive all or part of a potential annual performance bonus award but before DSUs are granted to the Plan participant for that election.

The Corporation shall maintain a record of all DSUs granted to Plan participants and, subject to any applicable typographical or clerical errors, such record shall be final and binding upon Plan participants and the Corporation.

No right created by the granting of a DSU can be pledged in any circumstance, nor can it be assigned except in the case of death. Any attempt to pledge or assign may, in the discretion of the Corporation, result in forfeiture of the rights created herein.

The Corporation will determine conclusively all questions arising in the administration or interpretation of this Plan and such a determination shall be final and binding upon all persons.