



Namaste Technologies

CORPORATE GOVERNANCE POLICIES AND PROCEDURES MANUAL

January 1, 2019

CORPORATE GOVERNANCE OVERVIEW AND GUIDELINES

I. Introduction

The Board of Directors of the Company has adopted these Corporate Governance Guidelines to assist the Board in the exercise of its responsibilities. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with the duties and responsibilities owed to the Company and its shareholders.

These policies apply assuming the Company is not listed on a stock exchange in the United States and has voluntarily adopted these policies if still listed on the TSX Venture Exchange.

II. Director Responsibilities

- (a) Oversee Management of the Company. The principal responsibility of the directors is to oversee the management of the Company in the best interests of the Company and its shareholders. This responsibility requires that the directors attend to the following:
- i. review and approve on a regular basis, and as the need arises, fundamental operating, financial, and other strategic corporate plans which take into account, among other things, the opportunities and risks of the business;
 - ii. evaluate the performance of the Company, including the appropriate use of corporate resources;
 - iii. evaluate the performance of, and oversee the progress and development of, senior management and take appropriate action, such as promotion, change in responsibility and termination;
 - iv. implement senior management succession plans;
 - v. evaluate the Company's compensation programs;
 - vi. establish a corporate environment that promotes timely and effective disclosure (including appropriate controls), fiscal accountability, high ethical standards and compliance with applicable laws and industry and community standards;
 - vii. oversee the Company's auditing and financial reporting functions;
 - viii. evaluate the Company's systems and business to identify and manage the risks faced by the Company;
 - ix. evaluate insurance programs and approve insurance policy limits;
 - x. review and decide upon material transactions and commitments;
 - xi. develop a corporate governance structure that allows and encourages the Board to fulfill its responsibilities;
 - xii. provide assistance to the Company's senior management, including guidance on those matters that require Board involvement; and
 - xiii. evaluate the overall effectiveness of the Board and its committees.
- (b) Exercise Business Judgment. In discharging their fiduciary duties of care, loyalty and candour, directors are expected to exercise their business judgment to act in what they reasonably and honestly believe to be the best interests of the Company and its shareholders free from personal interests. In discharging their duties, the directors normally are entitled to rely on the Company's senior executives, other employees

believed to be responsible, and its outside advisors, auditors and legal counsel, but also should consider second opinions where circumstances warrant.

- (c) Understand the Company and its Business. With the assistance of the Company, directors are expected to become and remain informed about the Company and its business, properties, risks and prospects.
- (d) Establish Effective Systems. Directors are responsible for determining that effective systems are in place for the periodic and timely reporting to the Board on important matters concerning the Company. Directors should also provide for periodic reviews of the integrity of the Company's internal controls and management information systems.
- (e) Protect Confidentiality and Proprietary Information. Directors are responsible for establishing policies that are intended to protect the Company's confidential and proprietary information from unauthorized or inappropriate disclosure. Likewise, all discussions and proceedings of the Board of Directors must be treated as strictly confidential and privileged to preserve open discussions between directors and to protect the confidentiality of Board discussions.
- (f) Board, Committee and Shareholder Meetings. Directors are responsible for adequately preparing for and attending Board meetings and meetings of committees on which they serve. They must devote the time needed, and meet as frequently as necessary, to properly discharge their responsibilities. Directors who reside in or near the city where the Company holds a shareholders' meeting are expected to make a reasonable effort to attend such meeting.
- (g) Indemnification. The directors are entitled to Company-provided indemnification through corporate articles and by-laws, corporate statutes, indemnity agreements and, when available on reasonable terms, directors' and officers' liability insurance.

III. Director Qualification Standards

- (a) Independence. The Board will ensure that it has at all times at least the minimum number of directors who meet applicable standards of director independence. For members of the Audit and Risk Committee, director independence is to be determined in accordance with those legal and stock exchange independence standards applicable to the Company's Audit and Risk Committee. For other purposes, the Board will, from time to time, establish independence standards that (i) comply with applicable legal and stock exchange requirements and (ii) are designed to ensure that the director does not have, directly or indirectly, a financial, legal or other relationship that, in the Board's judgment, would reasonably interfere with the exercise of independent judgment in carrying out the responsibilities of the director.
- (b) Size and Skills of Board. The Board believes that a Board comprised of 6 to 10 members is an appropriate size given the Company's present circumstances. The Board also will consider the competencies and skills that the Board, as a whole, should possess and the competencies and skills of each director.
- (c) Other Directorships. The Board does not believe that its members should be prohibited or discouraged from serving on boards of other organizations, and the Board does not propose any specific policies limiting such activities, providing they do not reduce a director's effectiveness or result in a continuing conflict of interest. However, the

Nominating and Governance Committee should take into account the nature of and time involved in a director's service on other boards in evaluating the suitability of individual directors and in making its recommendations.

- (d) Tenure. The Board does not believe it should establish director term or age limits. Such limits could result in the loss of directors who have been able to develop, over a period of time, significant insight into the Company and its operations and an institutional memory that benefits the Board as well as management. As an alternative to term and age limits, the Nominating and Governance Committee will review each director's continuation on the Board annually. This will allow each director the opportunity to confirm his or her desire to continue as a member of the Board and allow the Company to replace directors where, upon recommendation of the Nominating and Governance Committee, the Board makes a determination in that regard.
- (e) Separation of the Offices of Chairman and CEO. The Board will select a Chairman of the Board in a manner and upon the criteria that the Board deems appropriate at the time of selection. The Board believes the offices of Chairman of the Board and CEO should not be held by the same persons.
- (f) Lead Director. At any time when the Chairman of the Board is not independent, the independent directors will select an independent director to carry out the functions of a lead director. This person will Chair regular meetings of the independent directors and assume other responsibilities which the independent directors and the Board as a whole have designated.
- (g) Selection of New Director Candidates. Except where the Company is legally required by contract, law or otherwise to provide third parties with the right to nominate directors, the Nominating and Governance Committee will be responsible for (i) identifying individuals qualified to become Board members, consistent with criteria approved by the Board, (ii) recommending to the Board the persons to be nominated for election as directors at any meeting of shareholders and (iii) recommending to the Board persons to be elected by the Board to fill any vacancies on the Board. The Nominating and Governance Committee's recommendations will be considered by the plenary board but the recommendations are not binding upon it.
- (h) Extending the Invitation to a New Director Candidate to Join the Board. An invitation to join the Board will be extended by the Chairman of the Board when authorized by the Board.
- (i) Majority Vote Policy. If the votes "for" the election of a director nominee at a meeting of shareholders are fewer than the number voted "withhold", the nominee will submit his or her resignation promptly after the meeting for the consideration of the Nominating and Governance Committee. The Committee will make a recommendation to the Board of Directors after reviewing the matter, and the Board will then decide within 90 days after the date of the meeting of shareholders whether to accept or reject the resignation. The Board will accept the resignation absent exceptional circumstances. The Board's decision to accept or reject the resignation will be disclosed by way of a press release, a copy of which will be sent to the Toronto Stock Exchange. If the Board does not accept the resignation, the press release will fully state the reasons for the decision. The nominee will not participate in any Committee or Board deliberations whether to accept or reject the resignation. This policy does not apply in circumstances involving contested director elections.

IV. Board Meetings

- (a) Selection of Agenda Items. The Chairman of the Board shall propose an agenda for each Board meeting. Each Board member is free to request the inclusion of other agenda items and is generally free to request at any Board meeting the consideration of subjects that are not on the agenda for that meeting, although voting on matters so raised may be deferred to another meeting to permit proper preparation for a vote on an unscheduled matter (emergencies excepted).
- (b) Frequency and Length of Meetings. The Chairman of the Board, in consultation with the members of the Board, will normally determine the frequency and length of Board meetings; however, the ultimate power in this regard rests with the plenary Board. Special meetings may be called from time to time as required to address the needs of the Company's business.
- (c) Advance Distribution of Materials. Information that is important to the Board's understanding of the business to be conducted at a Board or committee meeting will normally be distributed in writing to the directors reasonably before the meeting (with a goal of 3 calendar days) and directors should review these materials in advance of the meeting. Certain items to be discussed at a Board or committee meeting may be of a time-sensitive nature and the distribution of materials on these matters before the meeting may not be practicable.
- (d) Executive Session of Independent Directors. An executive session of independent directors will be held following each meeting of the Board of Directors.

V. Board Committees

- (a) Key Committees. The Board will at all times have an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The Board may, from time to time, establish or maintain additional committees or subcommittees as it deems necessary. The Board may delegate any of its powers to committees of the Board, except that it may not delegate the powers to fill Board vacancies, remove a director, change the membership or fill vacancies in a Board Committee, or remove or appoint officers who are appointed by the Board.
- (b) Committee Charters. Each committee will have a charter that has been approved by the Board. The committee charters will set forth the purposes, goals and responsibilities of the committees. The Board will, from time to time as it deems appropriate, but at least annually, review and reassess the adequacy of each charter and make appropriate changes. Each charter must address those matters required by applicable laws and stock exchange rules. The respective Committee charters are included in the appendices to this Manual.
- (c) Assignment of Committee Members. The Nominating and Governance Committee will be responsible for recommending to the Board the persons to be appointed to each committee of the Board. The Audit and Risk, Compensation and Nominating and Governance Committees will have a minimum of three directors. Other committees shall have at least one member or the minimum number of members required by applicable law and the Company's charter documents.
- (d) Selection of Agenda Items. Each committee chairman, in consultation with the other committee members, will develop the committee's agenda.

- (e) Frequency of Committee Meetings. The chairman of each committee, in consultation with the other committee members, will determine the frequency of the committee meetings consistent with any requirements set forth in the committee's charter. Special meetings may be called by any member from time to time as required to address the needs of the Company's business and fulfill the responsibilities of the committees.

VI. Director's Access to Management and Independent Advisors

- (a) Access to Officers and Employees. All directors have, at all reasonable times and on reasonable notice, full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate should normally be arranged through the CEO or the CLO. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company. The directors are normally expected to provide a copy or otherwise inform the CEO or CLO of any communication between a director and an officer or employee of the Company.
- (b) Access to Independent Advisors. The Board and each committee shall have the power to hire and consult with independent legal, financial or other advisors for the benefit of the Board or such committee, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company. Such independent advisors may be the regular advisors to the Company. The Board or any such committee is empowered, without further action by the Company, to cause the Company to pay the appropriate compensation of such advisors as established by the Board or any such committee.

VII. Director Compensation, Stock Ownership and Stock Trading

- (a) Role of Board and Compensation Committee. The form and amount of director compensation will be recommended by the Compensation Committee and approved by the Board in accordance with the general principles set forth herein and in the Compensation Committee Charter. The Compensation Committee will also conduct an annual review of the compensation of the Company's directors and make recommendations to the Board.
- (b) Form of Compensation. The Board believes that directors should be provided with incentives to focus on long-term shareholder value. The Board believes that including equity options as part of director compensation helps align the interests of directors with those of the Company's shareholders.
- (c) Amount of Compensation. The Company seeks to attract exceptional talent to its Board. Therefore, the Company's policy is to compensate directors competitively relative to comparable companies. The Company's management will, from time to time, present a report to the Compensation Committee comparing the Company's director compensation with that of comparable companies. The Board believes that it is appropriate for the Chairman of the Board and the chairmen of the committees, if not members of management, to receive additional compensation for their additional duties in these positions. Directors who are also employees of the Company may receive additional compensation for Board or committee service if they are not already compensated at full industry rates in their capacities as employees.
- (d) Compensation for Director Service by Company Employee While Serving on Other Boards of Directors. When any employee of the Company serves as a director of another company at the request of the Company or as the representative of the Company, that

employee may not accept compensation from that other company for such service. If any such compensation is nonetheless received, it shall be received on behalf of and paid over to the Company.

- (e) Director Stock Ownership. The Board believes that each director should acquire and hold shares of Company stock in an amount that is meaningful to shareholders and appropriate to each such director. Therefore, the Board, in consultation with each director, will establish a target for stock ownership, including deferred share units, by each director and a time period during which this target is to be met. In general, stock and deferred share units having a value (measured by purchase price or basis of stock and value of deferred share units at the time credited or market value, whichever is greater) equal to three times annual base cash compensation is an appropriate level of ownership, to be acquired over a period of not more than five years. The Board will periodically review the targets to take into account market circumstances.
- (f) Stock Trading. Prior to purchasing or selling shares of Company stock, directors must advise the CEO, CFO or CLO so as to avoid trading at a time when there may be undisclosed material information and so that Company Spokespersons will be aware of such transactions and be able to respond to questions regarding changes in share ownership from shareholders and others.

VIII. Director Orientation and Continuing Education

- (a) Director Orientation. The Board and the Company's senior management will conduct orientation programs for new directors as soon as possible after their appointment as directors. The orientation programs will include presentations by management to familiarize new directors with the Company's projects and strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its code of business conduct and ethics, its principal officers, its internal and independent auditors and its outside legal advisors. In addition, the orientation programs will include a review of the Company's expectations of its directors in terms of time and effort, a review of the directors' fiduciary duties and visits to Company headquarters and, to the extent practical, the Company's principal operating facilities.
- (b) Continuing Education. To enable each director to better perform his or her duties and to recognize and deal appropriately with issues that arise, the Company will provide the directors with suggestions to undertake continuing director education, the cost of which will be borne by the Company. The Company will periodically schedule site visits by directors to the Company's principal operating facilities.
- (c) Board Reference Binder. The Nominating and Governance Committee shall oversee the preparation of a Board Reference Binder which will include materials relevant to the Company and its operations to enable each existing director to better perform his or her duties, and to assist with the orientation of newly appointed directors.

IX. Management Evaluation and Succession and Executive Compensation

- (a) Selection of CEO. The Board selects the Company's CEO in the manner that it determines to be in the best interests of the Company. The Board, together with the CEO,

will develop a clear position description for the CEO. The board will also develop the corporate goals and objectives that the CEO is responsible for meeting.

- (b) Evaluation of Senior Management. The Compensation Committee will be responsible for overseeing the evaluation of the performance of the CEO and other members of senior management. The Compensation Committee will determine the nature and frequency of the evaluation, supervise the conduct of the evaluation and prepare an assessment of the performance of the CEO, to be discussed with the Board. The Board will review the assessment to ensure that the CEO is providing the best leadership for the Company over the long- and short-term. The Compensation Committee will also discuss with the Board the recommendations of the CEO with regards to the compensation of the other members of senior management.
- (c) Succession of Senior Management. The Compensation Committee will be responsible for overseeing an annual evaluation of senior management succession planning.
- (d) Expectations of Senior Management. The Board will establish, and review on an annual basis, its expectations for senior management generally.
- (e) Executive Compensation. Compensation of the CEO must be determined, or recommended to the Board for determination, by the Compensation Committee. The CEO must not be present during voting or deliberations. Compensation for all other members of senior management must be determined, or recommended to the Board for determination, by the Compensation Committee.

X. Code of Ethics

The Board of Directors, on the recommendation of the Nominating and Governance Committee, will adopt and maintain a Code of Ethics that will apply to the employees, officers and directors of the Company. The Code of Ethics will meet the definition and coverage of a “code of ethics” as understood under National Policy 58-201 and other applicable laws and regulations.

XI. Annual Performance Evaluation of the Board

The Nominating and Governance Committee will oversee an annual self-evaluation of the Board to determine whether it and its committees are functioning effectively. The Nominating and Governance Committee will determine the nature of the evaluation, supervise the conduct of the evaluation and prepare an assessment of the Board’s performance. This evaluation will be discussed by the Board.

XII. Board Interaction with Shareholders, Institutional Investors, the Press, Customers, etc.

The Board believes that the CEO and his or her designees should normally speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Board members would do so with the knowledge of and, absent unusual circumstances, only at the request of the CEO.

The Board will give appropriate attention to written communications that are submitted by shareholders and other interested parties, and will respond if and as appropriate. Absent unusual circumstances, the Chairman of the Board monitors communications from shareholders and other interested parties, and will provide copies or summaries of such communications to the other directors as he or she considers appropriate.

XIII. Periodic Review of the Corporate Governance Guidelines

The Board will, from time to time, with or without recommendations of the Nominating and Governance Committee, review and reassess the adequacy of these Guidelines and consider any proposed changes.

General: The Company will ensure that a current version of the Governance Manual, inclusive of the Index, is posted on the Company's Internal Internet site.