



## **ZOOMERMEDIA LIMITED**

### **NOTICE OF ANNUAL GENERAL MEETING MANAGEMENT INFORMATION CIRCULAR**

*January 14, 2022*



## **ZOOMERMEDIA LIMITED**

### **NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of the shareholders of ZoomerMedia Limited (the “Corporation”) will be held at 70 Jefferson Avenue, Toronto, Ontario, M6K 1Y4 on Thursday, February 10, 2022, at the hour of 10:00 am (Toronto time) for the following purposes:

1. To receive and consider the audited financial statements of the Corporation for the year ended August 31, 2021, together with a report of the auditors thereon;
2. To elect directors;
3. To appoint auditors and to authorize the directors to fix their remuneration;
4. To consider, and if deemed appropriate, to pass with or without variation, an ordinary resolution to approve the Corporation’s stock option plan, as more particularly described in the accompanying information circular; and
5. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

This notice is accompanied by a form of proxy and management information circular. Shareholders who are unable to attend the meeting in person are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the meeting. The audited financial statements of the Corporation for the year ended August 31, 2021 and the associated Management Discussion and Analysis are available on SEDAR.

**DATED** at Toronto, Ontario this 14<sup>th</sup> day of January, 2022.

**BY ORDER OF THE BOARD**

***MOSES ZNAIMER - PRESIDENT AND  
CHIEF EXECUTIVE OFFICER***

## **PRESIDENT'S MESSAGE**

In Fiscal 2020, it was everyone's hope that we would see the end of the pandemic and life would return to normal. But then succeeding waves of Covid pushed that wish into Fiscal 2021. The world is now well into the second year of on-and-off lockdowns, and will soon enter a third year with many businesses on which we depend still paralyzed. Overall, it's been a true test of our resilience and, I'm happy to report, ZoomerMedia has risen to the challenge.

This despite the fact that topline revenue in Fiscal 2021 declined by \$2.5 million compared to the prior year. With the disappearance of travel + live events, and given severely constrained retail + hospitality sectors, our Radio, Magazine and Shows & Conferences divisions again bore the brunt of the impact. Per the TRAM report ("Trans-Canada Radio Advertising by Market"), Toronto radio ad sales contracted by 15.4% compared to last year; and while ZoomerMedia's stations fared better than market (off only 10.4%), they are still struggling to regain lost ground. Due to Public Health restrictions, both Vancouver and Toronto ZoomerShows and the ideaCity Conference were also cancelled this year.

The good news is that our television and online properties again performed over and above, and offset some of the topline erosion. One year ago, I pointed to the need for us to "pour on the coals", keep investing in content and strengthening our connection to our audiences. As a result, Vision TV's already strong 45+ female-dominated viewership is up 9%, so television ad revenue grew by \$1.1 million, a testament to strong programming and viewer + client loyalty. Meanwhile, the show did go on for our Show & Conferences division, albeit virtually. Despite not being able to mount our usual large and popular live events, we executed three virtual summits via Zoom, and are working on a handful more.

Most of all, despite the hit to ZoomerMedia's topline, and notwithstanding a full year operating under the pandemic, I am pleased to report that EBITDA is a healthy \$9.2 million; a second strong year after F2020's \$10.4 million. Furthermore, we were able to achieve this result with no staff layoffs! This was made possible by a combination of careful cost containment, less onerous CRTC television license conditions, and special federal labour support funding.

It also made it possible, again for the first time in ZoomerMedia's history, for us to reward our shareholders' patience and confidence with a second consecutive dividend, and on an uptick from the first.

As a majority of Canadians are now vaccinated and boosted, we are hopeful that the worst has passed. Indeed, we were seeing real signs of economic recovery when Omicron succeeded Delta as a much more contagious variant. Therefore, in Fiscal 2022, even while actively searching out ideas and opportunities for expansion, we will continue to operate in a prudent manner, and expect to maintain a good part of the operational efficiencies gained in the past year.

At the same time, and even though it may be natural in times of uncertainty + upheaval to step back + wait to see where things go, we won't do that because we are also committed to continuous improvement + look forward to the opportunities that await with determination and good heart.

**BY ORDER OF THE BOARD**



**MOSES ZNAIMER - PRESIDENT AND  
CHIEF EXECUTIVE OFFICER**

# **ZOOMERMEDIA LIMITED**

## **MANAGEMENT INFORMATION CIRCULAR**

This Management Information Circular is furnished in connection with the Annual General Meeting (the “Meeting”) of the holders (“Shareholders”) of common shares (“Common Shares”) of ZoomerMedia Limited (“ZoomerMedia” or the “Corporation”) to be held at 70 Jefferson Avenue, Toronto, Ontario, M6K 1Y4 on Thursday, February 10, 2022 at the hour of 10:00 am, and at any continuation thereof after an adjournment.

The information contained herein is given as of January 14<sup>th</sup>, 2022, except as otherwise stated.

### **SECTION I - VOTING INFORMATION**

#### **Solicitation of Proxies**

The enclosed proxy is being solicited by or on behalf of the management of the Corporation. The mailing to Shareholders of this Circular will be on or about January 14, 2022. The cost of soliciting proxies will be borne by the Corporation. While most proxies will be solicited by mail only, regular employees of the Corporation may also solicit proxies by telephone, through electronic means or in person. Such employees will receive no additional compensation for these services other than their regular salaries, but will be reimbursed for their reasonable expenses.

The Corporation will provide proxy materials to brokers, custodians, nominees and fiduciaries and will request that such materials be promptly forwarded to the beneficial owners of Common Shares registered in the names of such brokers, custodians, nominees and fiduciaries. The Corporation will reimburse brokers, custodians, nominees and fiduciaries for their reasonable charges and expenses incurred in forwarding proxy materials to beneficial owners of Common Shares.

#### **Voting Common Shares**

The board of directors of ZoomerMedia (the “Board of Directors”) has fixed January 4, 2022 as the record date for the purpose of determining Shareholders entitled to receive Notice of the Meeting (the “Meeting Record Date”).

The Corporation will prepare, no later than ten (10) days following the Meeting Record Date, a list of Shareholders entitled to vote as of the Meeting Record Date, showing the number of Common Shares held by each such Shareholder. Each person named on the list of Shareholders is entitled to one (1) vote for each Common Share held, except to the extent that: (i) the Shareholder has transferred any Common Shares after the Meeting Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes ownership of those Common Shares and requests not later than ten (10) days before the date of the Meeting that the transferee's name be included on such list before the Meeting, in which case the transferee is entitled to vote those Common Shares at the Meeting.

#### **Registered Shareholders**

Registered shareholders are Shareholders whose Common Shares are held in their own name and they will have received a proxy form in their own name.

## **Non-Registered/Beneficial Shareholders**

Beneficial Shareholders are Shareholders who do not hold their Common Shares in their own name, but rather in the name of a nominee - this could be a bank, trust company, securities broker or other financial institution (and is known as holding in “street form”).

If you are a non-registered Shareholder, there are two (2) ways you can vote your Common Shares held by your nominee. Your nominee is required to seek voting instructions from you in advance of the Meeting in accordance with securities laws, and so you will receive, or will have already received from your nominee, a request for voting instructions or a proxy form for the number of Common Shares you hold. Every nominee has its own mailing procedures and provides its own signing and return instructions. Therefore, please follow them in order to make sure that your Common Shares are voted.

Alternatively, if you wish to vote in person at the Meeting, please insert your own name in the space provided on the “Request for Voting Instructions” or proxy form to appoint yourself as proxyholder and follow the signing and return instructions of your nominee. Non-registered Shareholders who appoint themselves as proxyholders should, at the Meeting, present themselves to a representative of Computershare Trust Company of Canada (“Computershare”).

## **Non-Objecting Beneficial Owners**

The Corporation is taking advantage of certain provisions of National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”), which permit the Corporation to directly deliver proxy-related materials to non-registered Shareholders who do not object to the Corporation knowing who they are (each, a “NOBO”) who have not waived the right to receive them. As a result, NOBOs can expect to receive a scannable voting instruction form (a “VIF”), together with the proxy-related materials from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in accordance with the instructions. Computershare is required to follow the voting instructions properly received from NOBOs. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

Should a NOBO wish to attend and vote at the Meeting in person, the NOBO must insert the NOBO’s name (or such other person as the NOBO wishes to attend and vote on the NOBO’s behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in line with the instructions provided or the NOBO must submit, to the Corporation any other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. In such circumstances with respect to proxies held by management in respect of securities owned by the NOBO so requesting, the Corporation must arrange, without expense to the NOBO, to appoint the NOBO or a nominee of the NOBO as a proxyholder in respect of those securities. Under NI 54-101, if the Corporation appoints a NOBO or a nominee of the NOBO as a proxyholder as aforesaid, the NOBO or nominee of the NOBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101, if the Corporation appoints a NOBO or its nominee as proxyholder as aforesaid the Corporation must deposit the proxy within the timeframe specified above for the deposit of proxies if the Corporation obtains the instructions at least one (1) business day before the termination of that time.

## Appointment of Proxy Holders

The persons named in the enclosed form of proxy are directors and/or officers of ZoomerMedia. **A Shareholder has the right to appoint some other person (who need not be a Shareholder) to attend and to act for and on behalf of such Shareholder at the Meeting.** To exercise this right, the Shareholder must either insert the name of the desired person in the blank space provided in the proxy and strike out the other names or submit another proper form of proxy and, in either case, deliver the completed proxy by post or other form of delivery to the transfer agent for the Corporation, Computershare Trust Company of Canada, 3<sup>rd</sup> floor, 510 Burrard Street, Vancouver, B.C., to be received not later than the close of business on February 9, 2022 or, in the event of an adjournment, not later than two (2) business days preceding the day to which the Meeting is adjourned.

All Common Shares represented by a properly executed and deposited proxy will be voted or withheld from voting on the matters identified in the Notice of Meeting in accordance with the instructions of the Shareholder as specified thereon.

**If you have appointed a person who was designated by ZoomerMedia to vote on your behalf as provided in the enclosed form of proxy and you do not provide any instructions concerning any matter identified in the Notice of Meeting, the Common Shares represented by such proxy will be voted:**

- (1) FOR the election of the persons nominated for election as directors of ZoomerMedia;
- (2) FOR re-appointment of BDO Canada LLP, Chartered Professional Accountants, as auditors of ZoomerMedia and to authorize the Board of Directors to fix the remuneration of the auditors; and
- (3) FOR the approval of the stock option plan of the Corporation;

The enclosed form of proxy, when properly signed, confers discretionary authority on the person or persons named to vote on any amendment to matters identified in the Notice of Meeting and on any other matter properly coming before the Meeting. Management is not aware of any such matter; however, if such matter properly comes before the Meeting, the proxies will be voted at the discretion of the person or persons named therein. The persons named in the form of proxy are either officers or directors of ZoomerMedia.

## Revocability of Proxies

A Shareholder executing the enclosed form of proxy has the right to revoke it at any time before it is exercised. Relevant provisions of the *Canada Business Corporations Act* (the “CBCA”) provide that a Shareholder may revoke a proxy by depositing an instrument in writing, executed by the Shareholder or by an attorney authorized in writing, at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or by depositing such instrument with the Chairperson of the Meeting on the day of the Meeting, or any adjournment thereof, or in any other manner permitted by law.

## Voting / Non-Voting Shares and Principal Shareholders

The authorized capital of the Corporation consists of unlimited Common Shares and an unlimited number of Class A Preference Shares. As of January 4, 2022, there were 273,413,297 Common Shares outstanding. Each Common Share carries the right to one (1) vote on any matter properly coming before the Meeting. A quorum for the meeting of Shareholders must have one (1) shareholder present in person or by proxy.

The following table shows, as of the date of this Circular, each person who is known to the Corporation, or its directors and officers, to beneficially own, directly or indirectly, or to exercise control or direction over

securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Corporation entitled to be voted at the meeting.

Name of Shareholder	Securities Owned, Controlled or Directed	Percentage of Class of Outstanding Voting Securities of the Corporation <sup>(1)</sup>
Fairfax Financial Holdings Limited	44,025,901 Common Shares <sup>(2)</sup>	16.10%
Moses Znaimer	171,944,970 Common Shares <sup>(3)</sup>	62.89%

Notes:

- (1) Based on 273,413,297 Common Shares issued and outstanding as at the date hereof.
- (2) 4,000,000 Common Shares are held by Federated Insurance Company of Canada, 26,625,901 Common Shares are held by Northbridge General Insurance Corporation, and 13,400,000 Common Shares are held by Northbridge Financial Corporation. Federated Insurance Company of Canada, Northbridge General Insurance Corporation and Northbridge Financial Corporation are controlled by Fairfax Financial Holdings Limited.
- (3) 165,094,970 of the 171,944,970 Common Shares are held indirectly through Olympus Management Limited of which Moses Znaimer has beneficial control.

## **SECTION II - BUSINESS OF THE MEETING**

### **ANNUAL BUSINESS OF THE CORPORATION**

#### **1. Financial Statements and Auditor's Report**

The Management's Discussion and Analysis, including the audited financial statements of ZoomerMedia for the year ended August 31, 2021 and the auditor's report on those financial statements, are included with the mailing of this Circular. Additional copies may be obtained from ZoomerMedia upon request.

#### **2. Election of Directors**

The articles of ZoomerMedia provide that the Board of Directors shall consist of a minimum of three (3) and a maximum of nine (9) directors. The Board of Directors has set the number of directors to be elected at the Meeting at six (6).

The nominees for election as directors of ZoomerMedia are listed below. The persons proposed for election are, in the opinion of the Board of Directors and management, well qualified to act as directors for the forthcoming year.

Such nominees, if elected, will serve until the next Annual Meeting of Shareholders or until his/her successor is duly elected or appointed. Management has been informed that each nominee is willing to serve as a director, if elected. Management recommends a vote for all nominees for election as directors of the Corporation.

The following table sets out the names of the six (6) nominees, their principal occupation or employment and the year from which each has continually served as a director of ZoomerMedia. The table also sets out, as of January 14, 2022, the number of shares owned by each of them or over which control or direction is exercised by each of them, and the number of warrants or stock options which they hold in ZoomerMedia.



## NOMINEES FOR ELECTION AS DIRECTORS

Name, Position with the Corporation and/or Principal Occupation	Common Shares	Non-voting Class A Preference Shares	Stock Options
Moses Znaimer <sup>(2)</sup> Resident of Ontario, Canada President & CEO of ZoomerMedia Limited Director since December 2007	171,944,970 <sup>(4)</sup>	255,905,030 <sup>(6)</sup>	5,000,000
Julia Johnston <sup>(2)(3)</sup> Resident of Ontario, Canada Media Consultant Director since December 2007	150,000	Nil	1,000,000
David Morgenthau <sup>(2)(3)</sup> Resident of Ontario, Canada Physician Director since December 2007	Nil	Nil	1,000,000
Peter Palframan <sup>(1)(8)</sup> Resident of Ontario, Canada Consultant Director since July 2009	425,000	Nil	500,000
Chandran Ratnaswami <sup>(1)(9)</sup> Resident of Ontario, Canada Managing Director, Hamblin Watsa Investment Counsel Ltd. Director since November 2010	44,525,901 <sup>(5)</sup>	131,974,099 <sup>(7)</sup>	500,000
Wayne Ingram <sup>(1)(3)</sup> Resident of Ontario, Canada Country Managing Director, Slalom Consulting Canada Director since December 2017	Nil	Nil	1,000,000

**Notes:**

- (1) Member of the Audit Committee, of which Peter Palframan is Chairperson.
- (2) Member of the Nominating and Corporate Governance Committee, of which Julia Johnston is Chairperson.
- (3) Member of the Compensation Committee, of which David Morgenthau is Chairperson.
- (4) 165,094,970 of the 171,944,970 Common Shares are held indirectly through Olympus Management Limited of which Moses Znaimer has beneficial control.
- (5) 4,000,000 Common Shares are held by Federated Insurance Company of Canada, 26,625,901 Common Shares are held by Northbridge General Insurance Corporation and 13,400,000 Common Shares are held by Northbridge Financial Corporation. Federated Insurance Company of Canada, Northbridge General Insurance Corporation and Northbridge Financial Corporation are controlled by Fairfax Financial Holdings Limited. Hamblin Watsa Investment Counsel Ltd. is controlled by Fairfax Financial Holdings Limited.
- (6) 35,905,030 non-voting Series 2 Class A Preference Shares are held by Olympus Management Limited of which Moses Znaimer has beneficial control.
- (7) 12,000,000 non-voting Series 1 Class A Preference Shares are held by Federated Insurance Company of Canada and 119,974,099 non-voting Series 1 Class A Preference Shares are held by Northbridge General Insurance Company. Federated Insurance Company of Canada and Northbridge General Insurance Corporation are controlled by Fairfax Financial Holdings Limited. Hamblin Watsa Investment Counsel Ltd. is controlled by Fairfax Financial Holdings Limited.
- (8) Mr. Palframan is a director of Conquest Resources Limited (TSXV:CQR).
- (9) Mr. Ratnaswami is a director of Fairfax India Holdings Corporation (TSX:FIH.U)

The Corporation has an Audit Committee, as required by applicable securities laws, and its members are Peter Palframan (Chairperson), Wayne Ingram and Chandran Ratnaswami. See “Section IV - Corporate Governance - Committees of the Board of Directors - Audit Committee”.

Julia Johnston (Chairperson), David Morgenthau and Moses Znaimer comprise the Nominating and Corporate Governance Committee of the Board of Directors. See “Section IV – Corporate Governance – Committees of the Board of Directors - Nominating and Corporate Governance Committee”.

David Morgenthau (Chairperson), Julia Johnston and Wayne Ingram comprise the Compensation Committee of the Board of Directors. See “Section IV - Corporate Governance - Committees of the Board of Directors - Compensation Committee”.

To the knowledge of the Corporation, no proposed director:

- a) within ten (10) years of the date hereof, as a director or chief executive officer or chief financial officer of any company, including the Corporation, that:
  - i) while that person was acting in that capacity, 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; or
  - ii) was subject to an event that resulted, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer of 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 and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or
  - iii) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became 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 the proposed director; or
- b) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

### **3. Appointment of Auditor**

The Board of Directors recommends that BDO Canada LLP, Chartered Professional Accountants, Licensed Public Accountants, be re-appointed as the Corporation's auditors to hold office until the close of the next Annual Meeting and to authorize the directors to fix their remuneration. BDO Canada LLP were first appointed as the auditors of the Corporation on June 24, 2019. See “Section III - Executive Compensation and Other Information - Disclosure of Auditor Fees”.

#### **4. Approval of Stock Option Plan**

Pursuant to Policy 4.4 (the "Option Policy") of the TSX Venture Exchange (the "Exchange") the Corporation is permitted to maintain a "rolling" stock option plan (the "Option Plan") reserving a maximum of 10% of the issued and outstanding shares for issuance pursuant to stock options ("Options"). In accordance with the Option Policy, rolling option plans must receive Shareholder approval yearly at the Corporation's annual meeting.

Shareholders will therefore be asked at the Meeting to consider and, if thought advisable, to approve an Option Plan (the "Option Plan Resolution") having the terms and provisions described herein. The Shareholders of the Corporation initially approved an Option Plan for the Corporation on March 23, 2010. The Corporation currently has 20,717,000 outstanding Options, at an exercise price of \$0.05.

The Option Plan provides for the granting of Options to purchase Common Shares to directors, officers, employees and consultants (as permitted by applicable law). The Option Plan is administered by the Board of Directors, or a committee of the Board of Directors appointed from time to time for such purpose. Options may be granted at the discretion of the Board of Directors or a committee thereof, in such number that may be determined at the time of grant, subject to the limits set out in the Option Plan. The number of Common Shares issuable upon exercise of the Options granted under the Option Plan is not more than 10% of the number of total number of shares that are issued and outstanding.

The number of Common Shares issuable upon the exercise of the Options granted to any one individual, within a one-year period, cannot exceed 5% of the shares issued and outstanding at the time of the grant. The exercise price for the shares of the Corporation under each option shall be determined by the Board of Directors or a committee thereof, at the time of grant, provided that such exercise price may not be less than the Discounted Market Price as defined in the Option Plan, subject to a minimum exercise price of \$0.05, being the last closing price of the Listed Shares before the date of the stock option grant, or such other prices as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange.

The Options granted under the Option Plan will vest on a basis, and will be exercisable for a period not exceeding ten years, as determined by the Board of Directors, or a committee thereof, at the time of grant. In the absence of any determination by the Board of Directors as to vesting, vesting shall be as to one third on each of the first, second and third anniversaries of the date of grant.

The foregoing summary is subject to the specific provisions of the Option Plan. The terms of the Option Plan remain the same as when last approved by the Shareholders.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution in the following form:

"BE IT RESOLVED as an ordinary resolution of the Shareholders of the Corporation that:

1. the Option Plan of the Corporation, on the terms described in the accompanying management proxy circular of the Corporation be and the same is hereby approved;
2. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
3. notwithstanding that this resolution has been passed by the Shareholders of the Corporation, the adoption of the proposed share option plan of the Corporation is conditional upon receipt of final approval from the Exchange and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the Shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors."

Management of the Corporation recommends that shareholders vote in favor of the Stock Option Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the Stock Option Plan. In order to be adopted, this ordinary resolution must be approved by at least 50% of the votes cast at the meeting by shareholders, either in person or by proxy.

### **SECTION III - STATEMENT OF EXECUTIVE COMPENSATION**

The Compensation Committee of the Board of Directors is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board of Directors with respect to the compensation of the Corporation's executive officers. The Compensation Committee ensures that total compensation paid to all NEOs is fair and reasonable and is consistent with the Corporation's compensation philosophy.

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. The Corporation's compensation philosophy is to foster entrepreneurship at all levels of the organization through, among other things, the granting of stock options, a significant component of executive compensation. This approach is based on the assumption that the performance of the Common Share price over the long term is an important indicator of long term performance.

The Corporation's compensation philosophy is based on the following fundamental principles:

1. *Compensation programs align with shareholder interests* - the Corporation aligns the goals of executives with maximizing long term shareholder value;
2. *Performance sensitive* - compensation for executive officers should be linked to operating and market performance of the Corporation and fluctuate with the performance; and
3. *Offer market competitive compensation to attract and retain talent* - the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre.

The objectives of the compensation program in compensating all NEOs (as defined below under the heading "Named Executive Officers") were developed based on the above-mentioned compensation philosophy and are as follows:

- to attract and retain highly qualified executive officers;
- to align the interests of executive officers with shareholders' interests and with the execution of the Corporation's business strategy;
- to evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value; and
- to tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

#### **Named Executive Officers**

For the purposes of this Information Circular, a Named Executive Officer ("NEO") of the Corporation means each of the following individuals:

- (a) a chief executive officer ("CEO") of the Corporation;

- (b) a chief financial officer (“CFO”) of the Corporation;
- (c) the most highly compensated executive officer, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6, “Statement of Executive Compensation - Venture Issuers”, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

## **COMPENSATION GOVERNANCE**

The Compensation Committee oversees director and executive compensation and consists of three directors: Julia Johnston, Wayne Ingram, and David Morgenthau who serves as Chair. Wayne Ingram was appointed to the Compensation Committee on November 27, 2019, replacing Moses Znaimer, who served on the Compensation Committee until this time.

### **Independence**

The Board of Directors has determined that Dr. Morgenthau and Ms. Johnston are independent and are free from any relationship that would interfere with their ability to exercise independent judgment as a member of the Compensation Committee. Mr. Znaimer, due to his position as President and Chief Executive Officer of the Corporation, is not deemed to be independent. The Board of Directors bases its assessment on its independence criteria and the applicable rules, regulations and policies of regulatory authorities and stock exchanges. Senior management and employees serve as resources to the Compensation Committee; however, the Compensation Committee may retain, at the expense of the Corporation, external advisors from time to time for independent advice and to assist it in carrying out its duties and responsibilities.

### **Competencies**

While the qualifications for Compensation Committee members are not prescribed by a regulatory body, the Corporation believes that the Compensation Committee members should understand the issues and outcomes of compensation and human resources policy decisions and plan designs.

At a minimum, the Corporation believes the committee members should:

- a) understand executive compensation and other human resources issues and have specific knowledge about the media industry;
- b) be familiar with the proxy disclosure rules and other legal requirements relating to executive compensation; and
- c) be aware of emerging compensation trends and issues applicable to the Corporation and the media industry.

All of the Compensation Committee members have diverse professional backgrounds and gained executive compensation experience while serving on the boards and as senior executives of other public companies and their compensation committees.

## **Composition of the Compensation Committee**

### **Dr. David Morgenthau - Chairperson**

Dr. Morgenthau is a medical doctor in the Province of Ontario and holds a Doctorate of Medicine from the University of Toronto. Dr. Morgenthau specializes in internal medicine and neurology, and is an active staff member of the Humber River Regional Hospital and is an attending staff member of St. Michaels Hospital.

### **Julia Johnston**

Ms. Johnston is a serial entrepreneur having co-founded Skills.com, where she was the Chief Operating Officer, and mEgo Inc., where she served as its Chief Executive Officer. She is currently a business affairs advisor to internationally-renowned photographer Edward Burtynsky. She has a background in international business development, mergers and acquisitions, investment banking, communications and law. Prior to founding mEgo in 2007, Ms. Johnston worked for many years as the Senior Vice President of Business Development for PCCW, the dominant telecommunications company in Hong Kong, where she was a business development manager and worked on the roll out of a pan-Asian satellite telecommunications business and on the evaluation and execution of a number of investments in the real estate, telecommunications and technology spaces globally. Ms. Johnston graduated from Princeton University and obtained her law degree from the University of Toronto.

### **Wayne Ingram**

Mr. Ingram is the Country Managing Director for Slalom Consulting in Canada. Slalom is a purpose-driven consulting firm that helps companies solve business problems and build for the future. Prior to starting Slalom in Canada, Mr. Ingram held several Canadian, North American, and Global Managing Director roles at Accenture. Mr. Ingram has close to 30 years of experience in technology consulting, and large scale systems transformation. He has extensive experience with emerging technologies and helping companies transform their business to leverage technology.

## **Compensation Discussion and Analysis**

### ***Competitive Compensation***

Aggregate compensation for each NEO is designed to be competitive. The Compensation Committee reviews compensation practices of similarly situated companies in determining compensation policy. Although the Compensation Committee reviews each element of compensation for market competitiveness, and it may weigh a particular element more heavily based on the NEO's role within the Corporation, it is primarily focused on remaining competitive in the market with respect to total compensation.

The Compensation Committee reviews data related to compensation levels and programs of various companies that are similar in size to the Corporation and operate within similar industries, prior to making its decisions. These companies are used as the Corporation's primary peer group because they have similar business characteristics or because they compete with the Corporation for employees and investors.

The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar revenues and business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish as a basis for developing salary adjustments and short-term and long-term incentive awards for the Compensation Committee's approval.

In performing its duties, the Compensation Committee has considered the implications of risks associated with the Corporation's compensation policies and practices. At its present stage of development and considering its present compensation policies, the Corporation currently has no compensation policies or practices that would encourage an executive officer or other individual to take inappropriate or excessive risks. An NEO or director is permitted for his own benefit and at his own risk, to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units or exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly.

### ***Aligning the Interests of the NEOs with the Interests of the Corporation's Shareholders***

The Corporation believes that transparent, objective and easily verified corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for the NEOs. The Corporation's objective is to establish benchmarks and targets for its NEOs which, if achieved, will enhance shareholder value.

A combination of fixed and variable compensation is used to motivate executives to achieve overall corporate goals. For the 2021 financial year, the three basic components of executive officer compensation program were:

- fixed salary;
- annual incentives (cash bonus); and
- option based compensation.

Fixed salary comprises a portion of the total cash-based compensation; however, annual incentives and option based compensation represent compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) market performance of the Corporation's Common Shares. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Board of Directors considers each performance target and the Corporation's performance and assigns compensation based on this assessment and the recommendations of the Compensation Committee.

### ***Base Salary***

The Compensation Committee and the Board of Directors approve the salary ranges for the NEOs. The base salary review for each NEO is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Corporation's peer group is also accumulated from a number of external sources. The Corporation's policy for determining salary for executive officers is consistent with the administration of salaries for all other employees.

### ***Annual Incentives***

The Corporation does not currently have an established annual incentive program. However, the Corporation, in its discretion, has awarded such incentives in order to motivate executives to achieve short-term corporate goals. The Compensation Committee and the Board of Directors approve annual incentives.

The success of NEOs in achieving their individual objectives and their contribution to the Corporation in reaching its overall goals are factors in the determination of their annual bonus. The Compensation Committee assesses each NEOs performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Corporation that arise on a day to day basis. This assessment is used by the Compensation Committee in developing its recommendations to the Board of Directors with respect to the determination of annual bonuses for the NEOs. Where the Compensation Committee cannot unanimously agree, the matter is referred to the full board for decision. The Board of Directors relies heavily on the recommendations of the Compensation Committee in granting annual incentives.

### ***Compensation and Measurements of Performance***

The Board of Directors approves targeted amounts of annual incentives for each NEO at the beginning of each financial year. The targeted amounts are determined by the Compensation Committee based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the NEO. The NEO will receive a partial or full incentive payment depending on the number of predetermined targets met and the Compensation Committee's and the Board of Director's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board of Directors and the board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

### ***Long-Term Compensation***

The Corporation currently has no long-term incentive plans, other than stock options granted from time to time by the Board of Directors under the provisions of the Corporation's rolling stock option plan. The shareholders of the Corporation first approved the Option Plan at the Annual and Special Meeting of shareholders held on March 23, 2010. The purpose of the Option Plan is to encourage common share ownership in the Corporation by directors, senior officers, employees and consultants of the Corporation and other designated persons. The Compensation Committee believes that the plan aligns the interests of the NEOs with shareholders by linking a component of executive compensation to the longer term performance of the Corporation's Common Shares. Options may be granted under the Option Plan only to directors, senior officers, employees and consultants of the Corporation and other designated persons as designated from time to time by the Board of Directors. The number of shares which may be reserved for issuance under the Option Plan is limited to 10% of the issued and outstanding shares of the Corporation as at the date of the grant of Options. The maximum number of common shares which may be reserved for issuance to any one director, senior officer or employee under the Option Plan is 5% of the issued and outstanding shares and 2% with respect to any one consultant of the Corporation. Any shares subject to an option which for any reason is cancelled or terminated prior to exercise will be available for a subsequent grant under the Option Plan. The option price of any Common Shares cannot be less than the Discounted Market Price (as defined pursuant to the Option Policy) subject to a minimum exercise price of \$0.05. Options granted under the Option Plan may be exercised during a period not exceeding ten years, subject to early termination of the optionee's employment, upon the optionee ceasing to be an employee, senior officer, director or



consultant of the Corporation or ceasing to have a designated relationship with the Corporation, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The options are non-transferable. The Option Plan contains provisions for adjustment in the number of shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the common shares, a merger or other relevant changes in the Corporation's capitalization. Subject to shareholder approval in certain circumstances, the Board of Directors may from time to time amend or revise the terms of the Option Plan or may terminate the Option Plan at any time. The Option Plan does not contain any provision for financial assistance by the Corporation in respect of options granted under the Option Plan.

## Compensation Summary

The table below sets forth information concerning the compensation paid, awarded or earned by each of the NEOs for services rendered in all capacities to the Corporation during the year ended August 31, 2021.

**Table of Compensation excluding Compensation Securities**

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
Moses Znaimer	2021	1,381,000	-	-	-	60,000	1,441,000
<i>Chief Executive Officer</i>	2020	1,381,000	-	-	-	60,000	1,441,000
Dan Hamilton	2021	391,000	25,000	-	-	-	416,000
<i>Chief Operating Officer</i>	2020	362,500	36,500	-	-	-	399,000
Omri Tintpulver	2021	310,000	-	-	-	-	310,000
<i>Deputy Chief Operating Officer</i>	2020	-	-	-	-	-	-
Terence Chan <sup>(2)</sup>	2021	200,000	-	-	-	-	200,000
<i>Chief Financial Officer</i>	2020	120,513	-	-	-	-	120,513
David Vickers <sup>(2)</sup>	2021	-	-	-	-	-	-
<i>Chief Financial Officer</i>	2020	114,583	-	-	-	-	114,583
Julia Johnston	2021	13,000	-	12,000	-	-	25,000
<i>Director</i>	2020	13,000	-	9,600	-	-	22,600
David Morgenthau	2021	13,000	-	12,000	-	-	25,000
<i>Director</i>	2020	13,000	-	9,600	-	-	22,600
Peter Palframan <sup>(3)</sup>	2021	74,675	-	12,000	-	-	86,675
<i>Director</i>	2020	50,438	-	10,800	-	-	61,238
Chandran Ratnaswami	2021	10,000	-	10,800	-	-	20,800
<i>Director</i>	2020	10,000	-	6,000	-	-	16,000
Wayne Ingram	2021	10,000	-	13,200	-	-	23,200
<i>Director</i>	2020	10,000	-	10,800	-	-	20,800

Notes:

- (1) All other compensation for Moses Znaimer is a reimbursement for his home office costs
- (2) Terence Chan joined ZoomerMedia as Chief Financial Officer on February 1, 2020, replacing David Vickers
- (3) In addition to his duties as a director, Peter Palframan provided consultation services to the Corporation in the year ended August 31, 2021 for fees of \$59,675 (2020 - \$35,438). Such services included due diligence activities and general business counsel

### Table of Compensation Securities

Name and Principal Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of Issue or Grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Moses Znaimer <sup>(2)</sup> <i>Chief Executive Officer</i>	Stock Options	4,500,000 options/ 4,500,000 shares (1.65%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Options	500,000 options / 500,000 shares (0.18%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
Dan Hamilton <sup>(3)</sup> <i>Chief Operating Officer</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Options	800,000 options / 800,000 shares (0.29%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
Omri Tintpulver <sup>(4)</sup> <i>Deputy Chief Operating Officer</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Option	200,000 options/ 200,000 shares (0.07%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
Terence Chan <sup>(5)</sup> <i>Chief Financial Officer</i>	Stock Options	1,000,000 options/ 1,000,000 shares (0.37%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
Julia Johnston <sup>(6)</sup> <i>Director</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Options	500,000 options / 500,000 shares (0.18%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
Wayne Ingram <sup>(7)</sup> <i>Director</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Options	500,000 options / 500,000 shares (0.18%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
David Morgenthau <sup>(8)</sup> <i>Director</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
	Stock Options	500,000 options / 500,000 shares (0.18%)	July 18, 2018	\$0.05	\$0.03	\$0.11	July 17, 2023
Peter Palframan <sup>(9)</sup> <i>Director</i>	Stock Options	500,000 options/ 500,000 shares (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025
Chandran Ratnaswami <sup>(10)</sup> <i>Director</i>	Stock Options	500,000 options/ 500,000 options (0.18%)	Nov 25, 2020	\$0.05	\$0.07	\$0.11	Nov 25, 2025

Notes:

- (1) Stock options vest 1/3 after 12 months, 1/3 after 24 months and 1/3 after 36 months.
- (2) As at August 31, 2021, Moses Znaimer held 5,000,000 stock options representing 5,000,000 underlying common shares.  
As at August 31, 2021, 500,000 stock options had vested.
- (3) As at August 31, 2021, Dan Hamilton held 1,300,000 stock options representing 1,300,000 underlying common shares.  
As at August 31, 2021, 800,000 stock options had vested.

- (4) As at August 31, 2021, Omri Tintpulber held 700,000 stock options representing 700,000 underlying common shares. As at August 31, 2021, 200,000 of the stock options had vested.
- (5) As at August 31, 2021, Terence Chan held 1,000,000 stock options representing 1,000,000 underlying common shares. As at August 31, 2021, none of the stock options had vested.
- (6) As at August 31, 2021, Julia Johnston held 1,000,000 stock options representing 1,000,000 underlying common shares. As at August 31, 2021, 500,000 stock options had vested.
- (7) As at August 31, 2021, Wayne Ingram held 1,000,000 stock options representing 1,000,000 underlying common shares. As at August 31, 2021, 500,000 stock options had vested.
- (8) As at August 31, 2021, David Morgenthau held 1,000,000 stock options representing 1,000,000 underlying common shares. As at August 31, 2021 500,000 stock options had vested.
- (9) As at August 31, 2021, Peter Palframan held 500,000 stock options representing 500,000 underlying common shares. As at August 31, 2021, none of the stock options had vested.
- (10) As at August 31, 2021 Chandran Ratnaswami held 500,000 stock options representing 500,000 underlying common shares. As at August 31, 2021, none of the stock options had vested.

On January 19, 2010 the Corporation entered into a management agreement with Olympus Management Limited to provide the services of Moses Znaimer as President and Chief Executive Officer of the Corporation in consideration of a monthly management fee in the amount of \$100,000. The agreement also provides for the monthly payment of \$5,000 for home office expenses. The agreement includes a severance clause which provides for payment of 3 years management fee if the agreement is terminated without cause. The amounts payable to Olympus Management Limited pursuant to the management contract and the value of in-the-money vested Options as at August 31, 2021 is equal to a maximum benefit of \$3,630,000.

On September 1, 2020, the Corporation entered into an employment agreement with Dan Hamilton as Chief Operating Officer pursuant to which he provides his services to the Corporation in consideration of an annual salary of \$391,000. The agreement includes a severance clause which provides payment of twelve month's salary plus one month's salary for each year of employment beyond nine years of total service to a maximum of twenty-four months, if he is terminated without cause. The amounts payable to him pursuant to his employment agreement and the value of in-the-money vested Options as at August 31, 2021 is equal to a maximum benefit of \$553,041.

On September 1, 2020, the Corporation entered into an employment agreement with Omri Tintpulver as Deputy Chief Operating Officer pursuant to which he provides his services to the Corporation in consideration of an annual salary of \$310,000.

On February 1, 2020, the Corporation entered into an employment agreement with Terence Chan as Chief Financial Officer pursuant to which he provides his services to the Corporation in consideration of an annual salary of \$200,000.

### **Pension Benefits**

The Corporation does not currently have a defined benefit plan, defined contribution plan or deferred compensation plan for its Directors and Officers.

### **Indebtedness of Directors and Officers**

At no time during the year ended August 31, 2021, or at any time from August 31, 2021, to the date hereof, was, a director, executive officer or senior officer of the Corporation, each proposed nominee for election as a director, and each associate of any such director, officer or proposed nominee indebted to the Corporation or any subsidiary or whose indebtedness to another entity is, or at any time during the year ended August 31, 2021, or at any time from August 31, 2021, to the date hereof, been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any subsidiary.

## Stock Option Plan

ZoomerMedia has adopted the Option Plan in accordance with the requirements of the Exchange.

The following table sets forth, as of January 4, 2021, information concerning securities authorized for issue under the Option Plan, which is the only equity compensation plan of the Corporation.

	Number of Securities to be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders (the only such plan is the Option Plan)	20,717,000	\$0.05	45,412,243
Equity compensation plans not approved by security holders (the Corporation does not have any such plan)	N/A	N/A	N/A

Under the Option Plan, the maximum number of Common Shares that can be issued is 10% of the total number of shares issued and outstanding from time to time. As of January 4, 2022, 66,129,243 stock options are allowed under the Option Plan and 45,412,243 stock options are reserved for future granting.

The purpose of the Option Plan is to attract and retain superior employees, to provide a strong incentive for employees and consultants to put forth maximum effort for the continued success and growth of the Corporation and, in combination with these goals, to encourage equity ownership in the Corporation by its employees and consultants.

The Option Plan is administered by the Board of Directors, with the Compensation Committee having been designated by the Board of Directors to administer it. The Compensation Committee has full and complete authority to interpret the Option Plan, to prescribe such rules and regulations as it deems necessary for the proper administration of the Option Plan and to make such determinations and to take such actions in connection therewith as it deems necessary or advisable. The Compensation Committee takes into account previous grants when considering the issuance of new options.

The Option Plan is subject to the following:

1. The number of shares subject to issuance pursuant to outstanding options, in the aggregate, does not exceed 10% of the issued shares outstanding.
2. At the time an option is granted, no Optionee may hold options to purchase more than 5% of the issued shares of the Corporation (2% if the Optionee is a consultant or, if the Optionee is providing investor relations services, the aggregate number of shares subject to options held by all investor relations Optionees does not exceed 2% in the aggregate).
3. The option price of any Common Shares cannot be less than the Discounted Market Price (as defined pursuant to the Option Policy) subject to a minimum exercise price of \$0.05.
4. The options may be exercisable for a period of up to ten years.
5. The Board of Directors, in its absolute discretion, upon granting an option under this Plan, may specify a particular time period or periods following the date of granting the option during which the optionee may exercise his option to purchase shares and may designate the exercise price and the number of shares in respect of which such optionee may exercise his option during each such time period.

6. The options can only be exercised by the Optionee for so long as the Optionee is a director, officer or employee of, or consultant to, the Corporation or any subsidiary or is an employee of the Corporation's management corporation or within a period of not more than 90 days (30 days, if the Optionee is providing investor relations services) after ceasing to be a director, officer or employee of, or consultant to, the Corporation or, if the Optionee dies, within one year from the Optionee's death. If the Optionee is terminated 'for cause' from such position the option will terminate concurrently.
7. The options are not assignable.
8. No financial assistance is available to Optionees under the Option Plan.
9. Disinterested shareholder approval must be obtained prior to the reduction of the exercise price of options granted to insiders of the Corporation.

#### **Directors' and Officers' Liability Insurance**

The Corporation maintains Directors and Officers liability insurance for the benefit of the Corporation, its related companies and their directors and officers, as a group.

#### **Interests of Management and Others in Material Transactions**

As of August 31, 2021, nor at any time from August 31, 2021 to the date hereof, no director or executive officer of the Corporation, no security holder who is known to the Corporation, who own of record or beneficially hold more than 10% of Common Shares and no associate or affiliate of any such director, executive officer or security holder has had any material interest, direct or indirect, in any transaction or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

## SECTION IV – CORPORATE GOVERNANCE

ZoomerMedia believes that good corporate governance is an essential element in a well-managed Corporation. The following is a description of the Corporation's corporate governance practices.

### Compensation of the Directors

Directors of the Corporation are remunerated for their services as follows:

• Annual fee	\$10,000
• Annual fee paid to the Chairperson of the Audit Committee	\$5,000
• Annual fee paid to the Chairperson of any other Committee of the Board	\$3,000
• Attendance fee for any meeting of the Board of Directors	\$1,200
• Attendance fee for any committee meeting	\$1,200

Directors are reimbursed for their reasonable expenses incurred to attend meetings.

### Mandate of the Board of Directors

The duties and responsibilities of the Board of Directors are:

- to supervise the management of the business and affairs of the Corporation; and
- to act with a view towards the best interests of the Corporation.

In discharging its mandate, the Board of Directors is responsible for the oversight and review of the development of, among other things, the following matters:

- the strategic planning process of the Corporation;
- identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy for the Corporation to facilitate communications with investors and other interested parties; and
- the integrity of the Corporation's internal control and management information systems.

The Board of Directors also has the mandate to assess the effectiveness of the Board of Directors as a whole, its committees and the contribution of individual directors.

### Composition of the Board of Directors

The Board of Directors, as proposed in this Circular for election at the Meeting, will consist of six (6) members, of whom the Board of Directors has determined that five (5) are independent. These five (5) directors are Julia Johnston, David Morgenthau, Peter Palframan, Chandran Ratnaswami and Wayne Ingram. Moses Znaimer is not considered to be independent as he is Chairman, President and CEO of the Corporation.

## **Meetings of the Board of Directors**

The Board of Directors meet at least once each quarter and following the annual meeting of Shareholders of the Corporation. The frequency of the meetings and the nature of the meeting agendas are dependent upon the nature of the business and affairs which the Corporation faces from time to time. For the year ended August 31, 2021, the Board of Directors met six (6) times.

## **Independence of the Board of Directors**

To facilitate the functioning of the Board of Directors independently of management, the following structures and processes are in place:

- members of management on the Board of Directors are limited to a minority of the directors;
- when appropriate, members of management are not present for the discussion and determination of certain matters at meetings of the Board of Directors;
- under the by-laws of the Corporation, the chairman or any two directors may call a meeting of the Board of Directors; and
- in addition to the standing committees of the Board of Directors, independent committees are appointed from time to time, when appropriate.

## **Committees of the Board of Directors**

The Board of Directors has three (3) standing committees:

- the Audit Committee;
- the Nominating and Corporate Governance Committee; and
- the Compensation Committee
- These committees are majority represented by Board Members who are independent of management and report directly to the Board of Directors. From time to time, when appropriate, *ad hoc* committees of the Board of Directors are appointed by the Board of Directors.

## **AUDIT COMMITTEE**

The Audit Committee of the Corporation's Board of Directors is principally responsible for:

- a) recommending to the Corporation's Board of Directors the external auditor to be nominated for election by the Corporation's shareholders at each annual meeting and negotiating the compensation of such external auditor;
- b) overseeing the work of the external auditor;
- c) reviewing the Corporation's annual and interim financial statements, Management's Discussion and Analysis and press releases regarding earnings before they are reviewed and approved by the Board of Directors and publicly disseminated by the Corporation; and
- d) reviewing the Corporation's financial reporting procedures to ensure adequate procedures are in place for the Corporation's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph.

During the year ended August 31, 2021, the Audit Committee met four (4) times.



### *The Audit Committee's Charter*

The Corporation's Board of Directors has adopted a Charter for the Audit Committee, which sets out the Committee's mandate, organization, powers and responsibilities. The complete Charter is attached as Schedule "A" to this Management Information Circular.

### *Composition of the Audit Committee*

The members of the Audit Committee are Peter Palframan (Chairperson), Wayne Ingram and Chandran Ratnaswami, all of whom are independent and all of whom are financially literate despite the fact that National Instrument 52-110 "*Audit Committees*" ("NI 52-110") of various Canadian securities administrators exempts the members of the Corporation's Audit Committee from being independent and financially literate since the Corporation is a "Venture Issuer" (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S.A., or a market outside of Canada and the U.S.A.). Julia Johnston was a member of the Audit Committee until March 2018, at which time she was replaced by Wayne Ingram.

<i>Name of Member</i>	<i>Independent <sup>(1)</sup></i>	<i>Financially Literate <sup>(2)</sup></i>
Peter Palframan (Chairperson)	Yes	Yes
Wayne Ingram	Yes	Yes
Chandran Ratnaswami	Yes	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Corporation. A "material relationship" is a relationship which could, in the view of the Board of Directors of the Corporation, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

### **Peter Palframan (Chairperson)**

Mr. Palframan has been a director of the Corporation since July 20, 2009. He is a Chartered Professional Accountant and has been in the broadcasting industry for over 20 years. He was most recently the Senior Vice President of Operations for CHUM Television and was previously Vice President, Finance & Administration, CHUM Television and Vice President, Finance and Operations of Learning and Skills Television of Alberta. Mr. Palframan assisted in negotiations that resulted in the privatization and acquisition of the provincial educational service, Access TV, and played a major role in the launch of Canadian Learning Television (CLT), Book Television and Court TV Canada. Previously, Mr. Palframan was, founding Vice-President, Finance for Vision TV and played a major role in the launch and operation of that channel.

### **Wayne Ingram**

Mr. Ingram is the Country Managing Director for Slalom Consulting in Canada. Slalom is a purpose-driven consulting firm that helps companies solve business problems and build for the future. Prior to starting Slalom in Canada, Mr. Ingram held several Canadian, North American, and Global Managing Director roles at Accenture. Mr. Ingram has close to 30 years of experience in technology consulting, and large scale systems transformation. He has extensive experience with emerging technologies and helping companies transform their business to leverage technology.

### **Chandran Ratnaswami**

Mr. Ratnaswami has been a director of the Corporation since October 26, 2010. Mr. Ratnaswami is a Managing Director of Hamblin Watsa Investment Counsel Ltd., a wholly owned investment management company of Fairfax Financial Holdings Limited. Hamblin Watsa provides investment management to the insurance, reinsurance and runoff subsidiaries of Fairfax. He is also the Chief Executive Officer and Director of Fairfax India Holdings Corporation, a company listed on the Toronto Stock Exchange. Prior to joining Hamblin Watsa, Mr. Ratnaswami was owner/president of an industrial distribution company and a senior executive at a large multi-national consumer packaged food company. Mr. Ratnaswami holds a Bachelor's degree in Civil Engineering from I.I.T. Madras, India and an MBA from the University of Toronto, Canada.

### ***Audit Committee Oversight***

During the year ended August 31, 2021, or at any time from August 31, 2021 to the date hereof, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Corporation's Board of Directors.

### ***Reliance on Certain Exemptions***

During the year ended August 31, 2021, the Corporation has not relied on the exemption in Section 2.4 (*De Minimis Non-Audit Services*) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 6.1.1(4), 6.1.1(5), Part 6.1.1(6) or Part 8 (*Exemptions*) of NI 52-110.

### ***Pre-Approval Policies and Procedures***

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in its Charter.

### ***External Auditor Service Fees (By Category)***

The following table discloses the fees billed to the Corporation by its external auditor during the last two financial years.

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees</b>
August 31, 2021	\$188,000	Nil	\$19,500	Nil
August 31, 2020	\$185,000	Nil	\$17,500	Nil

(1) The aggregate fees billed for audit services.

(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed in the "Audit Fees" column.

(3) The aggregate fees billed for tax preparation, tax compliance, tax advice, and tax planning services.

### **Exemption**

Since the Corporation is a "Venture Issuer" as defined in NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S.A., or a market outside of Canada and the U.S.A.), it is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

## **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

The members of the Nominating and Corporate Governance Committee are Julia Johnston (Chairperson), David Morgenthau and Moses Znaimer. During the year ended August 31, 2021, the Nominating and Corporate Governance Committee met three (3) times.

The purposes of the Nominating and Corporate Governance Committee are:

- to identify and recommend individuals to the Board of Directors for nomination as members of the Board of Directors and its committees (other than the Nominating and Corporate Governance Committee);
- to review and set out recommendations for the remuneration of the President and Chief Executive Officer of the Corporation\*; and
- to develop and recommend to the Board of Directors a set of corporate governance principles applicable to the Corporation.

*\*note that all Nominating and Corporate Governance Committee members with the exception of Mr. Znaimer take part in this item.*

## **COMPENSATION COMMITTEE**

The members of the Compensation Committee are David Morgenthau (Chairperson), Wayne Ingram and Julia Johnston. David Morgenthau, Julia Johnston and Wayne Ingram are all considered to be independent. Wayne Ingram was appointed to the Compensation Committee on November 27, 2019, replacing Moses Znaimer, who is deemed not to be independent for purpose of this Committee. During the year ended August 31, 2021 the Compensation Committee met two (2) times.

The purpose of the Compensation Committee is to make recommendations to the Board of Directors relating to the compensation of:

- Members of the Board of Directors; and
- Members of senior management of the Corporation.

## **Decisions requiring Board of Directors Approval**

In addition to those matters which, by law, must be approved by the Board of Directors, the approval of the Board of Directors is required for:

- the Corporation's annual business plan and budget;
- major acquisitions or dispositions by the Corporation; and
- transactions which are outside of the Corporation's existing business.

## **Shareholder Communications**

The Board of Directors has authorized management to represent the Corporation in its communications with shareholders and members of the investment community. In addition, management meets regularly with investors and other interested parties to receive and respond to inquiries and comments. The Corporation seeks to ensure that all inquiries and concerns receive a complete and timely response from the appropriate member of management.

The Board of Directors reviews the Corporation's significant communications with investors and the public, including the Corporation's Management's Discussion & Analysis, Management Information Circular, annual audited financial statements and quarterly unaudited financial statements.

### **Expectations of Management**

The Board of Directors has charged management with responsibility for the efficient management of the business and affairs of the Corporation and the identification and proposal of initiatives for the Corporation to secure opportunities as they arise. In order for the Board of Directors to effectively carry out its mandate, it regularly assesses the abilities of, and communicates those assessments to, management.

The Board of Directors recognizes the value of direct input from management as it serves to assist the Board of Directors in its deliberations. Where appropriate, members of management are invited to attend meetings of the Board of Directors to provide their input on various matters.

### **OTHER BUSINESS**

The form of proxy accompanying this Circular confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of the Meeting or other matters which may properly come before the Meeting. Management of the Corporation knows of no matter to come before the Meeting or of any amendment or variation to matters identified in the Notice of the Meeting, other than the matters referred to in the Notice of the Meeting. However, if matters not now known to management should properly come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the person voting such Common Shares.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Corporation's comparative financial statements for the year ended August 31, 2021 and Management's Discussion and Analysis are also available on SEDAR or may be obtained by any shareholder upon receipt of a request in writing. Such written request should be directed to the attention of ZoomerMedia Limited, 70 Jefferson Avenue, Toronto Ontario M6K 1Y4. Financial information with respect to the Corporation is provided in the Corporation's annual financial statements and Management's Discussion and Analysis.

### **BOARD OF DIRECTORS APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board of Directors of the Corporation.

DATED this 14<sup>th</sup> day of January, 2022.

MOSES ZNAIMER

President and Chief Executive Officer

## ***SCHEDULE “A”***

### ***CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF ZOOMERMEDIA LIMITED***

#### **I. MANDATE**

The Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of ZoomerMedia Limited (the “**Corporation**”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Corporation’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Corporation’s independent external auditor (the “**Auditor**”); and
4. The performance of the Corporation’s internal accounting procedures and Auditor.

#### **II. STRUCTURE AND OPERATIONS**

##### **A. Composition**

The Committee shall be comprised of three or more members.

##### **B. Qualifications**

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be officers or employees of the Corporation or of an affiliate of the Corporation.

Each member of the Committee must be financially literate, as this term is defined under National Instrument 52-110 - Audit Committees (the “Instrument”).

##### **C. Appointment and Removal**

In accordance with the By-Laws of the Corporation, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

##### **D. Chair**

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least four times in each fiscal year, or more frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Corporation's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Corporation.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Corporation or of an affiliate of the Corporation.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Corporation's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Corporation, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

### **III. DUTIES**

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Corporation's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the

Committee shall:

*Independence of Auditor*

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Corporation, consistent with Independence Standards Board Standard 1.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Corporation.

*Performance & Completion by Auditor of its Work*

5. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
6. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Corporation's shareholders of the existing, Auditor.
7. Review and discuss with the Auditor all critical accounting policies and practices to be used in the audit, all alternative treatments of financial information within generally accepted accounting principles as set out in the CPA Canada Handbook – Accounting, as amended from time to time ("GAAP") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the Auditor.
8. Pre-approve all auditing services and permitted non-audit services, including the fees and terms thereof, to be performed for the Corporation by the Auditor unless such non-audit services:
  - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Corporation to the Auditor during the fiscal year in which the non-audit services are provided;
  - (b) were not recognized by the Corporation at the time of the engagement to be non-audit services; and
  - (c) are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

*Internal Financial Controls & Operations of the Corporation*

9. Establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

- (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

#### *Preparation of Financial Statements*

- 10. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- 11. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Corporation's financial statements or accounting policies.
- 12. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- 13. Discuss with management the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.
- 14. Review and discuss with Management and the auditor (a) the quality of the accounting principles applied to the financial statements; (b) the clarity of disclosure in the financial statements; and (c) whether the audited annual financial statements present fairly, in accordance with applicable financial reporting standards, in all material respects, the Company's financial condition, operational results and cash flows.
- 15. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
  - (a) The adoption of, or changes to, the Corporation's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
  - (b) The management inquiry letter provided by the Auditor and the Corporation's response to that letter.
  - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

#### *Public Disclosure by the Corporation*

- 16. Review the Corporation's annual and quarterly financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Corporation publicly discloses this information.
- 17. Review the Corporation's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
- 18. Review disclosures made to the Committee by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process of the Corporation's financial statements about



any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation's internal controls.

*Manner of Carrying Out its Mandate*

19. Consult with the Auditor, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
20. Request any officer or employee of the Corporation or the Corporation's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
21. Meet with management, any internal auditor and the Auditor in separate executive sessions at least quarterly.
22. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.
23. Make regular reports to the Board.
24. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
25. Annually review the Committee's own performance.
26. Provide an open avenue of communication among the Auditor, the Corporation's financial and senior management and the Board.
27. As independent members of the Committee, pre-approve non-audit service to be provided by the Auditor for which the Committee must ratify at its next meeting

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.