

PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A DECISION PRIOR TO 5:00 P.M. (TORONTO TIME) ON NOVEMBER 27, 2020.

This rights offering circular is prepared by management. No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this circular. Any representation to the contrary is an offence.

This is the circular we referred to in the October 7, 2020 rights offering notice, which you should have already received. Your rights certificate and relevant forms were enclosed with the right offering notice. This circular should be read in conjunction with the rights offering notice and our continuous disclosure prior to making an investment decision.

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States. This rights offering circular does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, and the securities offered herein may not be offered or sold in or into the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to an exemption from such registration requirements as described herein. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.*

Rights Offering Circular

October 7, 2020

GREAT BEAR ROYALTIES CORP.

We currently have sufficient working capital to last 8 months. We require 10% of the rights offered to be subscribed for in order to raise sufficient funds to last 12 months.

OFFERING OF RIGHTS TO SUBSCRIBE FOR COMMON SHARES AT A PURCHASE PRICE OF \$0.15 PER COMMON SHARE

References in this circular to "**we**", "**our**", "**us**" and similar terms mean to Great Bear Royalties Corp. (the "**Company**" or "**GBRC**"). References in this circular to "**you**", "**your**" and similar terms mean to holders of the Company's common shares (the "**Common Shares**"). Unless otherwise indicated, references herein to "**\$**" or "**dollars**" are to Canadian dollars.

SUMMARY OF THE RIGHTS OFFERING

Why are you reading this circular?

We are issuing to the holders of our outstanding Common Shares (each a "**Shareholder**") of record as of the close of business (5:00 P.M. Toronto Time) (the "**Record Time**") on October 19, 2020 (the "**Record Date**") and who are resident in a province or territory of Canada (the "**Eligible Jurisdictions**"), an aggregate of 13,646,290 rights (the "**Rights**") to subscribe for an aggregate of 13,646,290 Common Shares on the terms described in this circular (the "**Offering**"). The purpose of this circular is to provide you with detailed information about your rights and obligations in respect of this Offering. This circular should be read in conjunction with the offering notice which you should have already received by mail.

What is being offered?

Each Shareholder, as of the Record Time on the Record Date, who is resident in an Eligible Jurisdiction will receive one Right for each one Common Share held.

Who is eligible to receive Rights?

The Rights are offered only to Shareholders, as of the Record Time on the Record Date, resident in Eligible Jurisdictions (the "**Eligible Holders**"). Shareholders will be presumed to be resident in the place shown on their registered address, unless the contrary is shown to our satisfaction. Neither the Offering notice nor this circular is to be construed as an offering of the Rights, nor are the Common Shares issuable upon exercise of the Rights offered for sale, in any jurisdiction outside of Eligible Jurisdictions or to Shareholders who

are residents of any jurisdiction other than the Eligible Jurisdictions (the “**Ineligible Holders**”). Instead, Ineligible Holders will be sent a letter advising them that their Rights will be held by Computershare Investor Services Inc. (the “**Rights Agent**”), located at 510 Burrard Street, Vancouver, BC V6C 3B9 (the “**Subscription Office**”), who will hold such Rights as agent for the benefit of all such Ineligible Holders.

What does one right entitle you to receive?

Each right entitles you to subscribe for one Common Share upon payment of the Subscription Price (called the “**Basic Subscription Privilege**”). No fractional Common Shares will be issued.

If you exercise your Basic Subscription Privilege in full, you will also be entitled to subscribe pro rata for Common Shares (the “**Additional Common Shares**”) not otherwise purchased, if any, pursuant to the Basic Subscription Privilege (called the “**Additional Subscription Privilege**”).

What is the subscription price?

\$0.15 per Common Share (the “**Subscription Price**”).

As GBRC has no liabilities, the Board’s determination of fair market value has been calculated by dividing the fair market value of the Company’s assets by the 13,646,290 Common Shares outstanding as of the date hereof. The Board has received a valuation to support its determination of fair market value. The Board is of the view that fair market value of the Common Shares is approximately \$0.40 per Common Share.

See “*Risk Factors – Subscription Price Not Necessarily Indication of Value*”.

When does the offer expire?

5:00 p.m. (Toronto time) on November 27, 2020 (the “**Expiry Time**”).

What are the significant attributes of the Rights issued under the Offering and the Common Shares to be issued upon the exercise of the Rights?

Each right entitles you to subscribe for one Common Share at the Subscription Price. We are authorized to issue an unlimited number of Common Shares, of which, as at the date hereof 13,646,290 are issued and outstanding. Shareholders are entitled to dividends if, as and when declared by our directors, to one vote per share at meetings of our Shareholders and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares.

What are the minimum and maximum number or amount of Common Shares that may be issued under the Offering?

A maximum of 13,646,290 Common Shares will be issued under the Offering.

There is no minimum number of Common Shares that may be issued under the Offering. Pursuant to the Stand-By Agreement (as defined herein) the Stand-By Purchasers (as defined herein) have agreed to acquire all Common Shares not otherwise acquired under the Offering by holders of Rights, including pursuant to the Basic Subscription Privilege and the Additional Subscription Privilege (the “**Stand-By Shares**”).

Where will the Rights and the Common Shares issuable upon exercise of

Neither the Common Shares nor the Rights will be listed on any stock exchange or quotation service.

the Rights be listed for trading?

See “*Risk Factors – Trading Market for Common Shares*” and “*Risk Factors – Trading Market for Rights*”.

FORWARD-LOOKING STATEMENTS

This circular contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current expectations or beliefs based on information currently available to us. Forward-looking statements in this circular include, without limitation, statements with respect to: our expectations regarding the estimated costs of the Offering and the net proceeds to be available upon completion; the use of proceeds from the Offering and the availability of funds from sources other than the Offering; the Rights remaining unlisted; the evaluation of a potential public listing of the Common Shares; the Stand-by Commitment and the potential shareholdings of the Stand-by Purchasers following closing of the Offering; and our ability to continue as a going concern.

The forward-looking statements are based on a number of key expectations and assumptions made by the Company’s management relating to the Company including, but not limited to: the completion of the Offering; the estimated costs of the Offering; the estimated amount of funds raised under the Offering; and the anticipated operating expenses of the Company for the 12 month period following the Expiry Date.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the Company’s actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, uncertainties relating to the availability and cost of funds; closing of the Offering; delays in obtaining or failure to obtain required approvals to complete the Offering and the Stand-by Commitment; the ability of the Stand-by Purchasers to terminate the Stand-by Agreement in certain circumstances; the uncertainty associated with estimating costs to completion of the Offering, including those yet to be incurred; fluctuations in the fair value of the Company’s investments which could materially increase or decrease the Company’s proceeds of dispositions and available funds; dilution of the shareholdings of Shareholders who do not exercise all of their Rights under the Offering; the potential increase in voting power of the Stand-By Purchasers; uncertainties relating to the lack of trading market for the Rights; irrevocability of the exercise of Rights by a Shareholder; the subscription price is not necessarily an indication of value; if a Shareholder fails to follow the subscription procedure and abide by the subscription deadline their subscription may be rejected; and other risks and uncertainties related to the Company’s business and the Offering, including those described in the Company’s public disclosure documents on SEDAR at www.sedar.com.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.

USE OF AVAILABLE FUNDS

What will our available funds be upon closing of the Offering?

Assuming the exercise of all Rights, the maximum net proceeds to the Company from the Offering will be approximately \$1,946,944, after deducting estimated expenses of \$100,000 associated with the Offering.

Available Funds Following Offering						
		Assuming Stand-By Commitment only	Assuming 15% of Offering	Assuming 50% of Offering	Assuming 75% of Offering	Assuming 100% of Offering
A	Amount to be raised by this offering	\$2,046,944	n/a	n/a	n/a	\$2,046,944
B	Selling commissions and fees	Nil	n/a	n/a	n/a	Nil
C	Estimated offering costs (e.g., legal, accounting, audit)	\$100,000	n/a	n/a	n/a	\$100,000
D	Available funds: D = A - (B+C)	\$1,946,944	n/a	n/a	n/a	\$1,946,944
E	Additional sources of funding	Nil	n/a	n/a	n/a	Nil
F	Working capital deficiency	Nil	n/a	n/a	n/a	Nil

The Company was incorporated on January 31, 2020. There is no working capital deficiency.

How will we use the available funds?

The net proceeds from the Offering (the “**Available Funds**”) will be used for the purposes set out in the table below.

Use of Available Funds					
Description of intended use of available funds listed in order of priority	Assuming Stand-By commitment only	Assuming 15% of offering	Assuming 50% of offering	Assuming 75% of offering	Assuming 100% of offering
Listing costs	\$300,000	n/a	n/a	n/a	\$300,000
General corporate purposes	\$500,000	n/a	n/a	n/a	\$500,000
Working capital	\$1,146,944	n/a	n/a	n/a	\$1,146,944
Total:	\$1,946,944	n/a	n/a	n/a	\$1,946,944

We intend to spend the Available Funds as stated. The Company is currently evaluating a potential public listing of the Common Shares and expects to use a portion of the Available Funds to fund the costs associated with a potential public listing. We will reallocate funds only for sound business reasons.

How long will the available funds last?

Management of the Company anticipates that the Available Funds from the Offering will be sufficient for the next twelve months.

INSIDER PARTICIPATION

Will insiders be participating?

Yes. The Company believes that its directors and officers who own Common Shares intend to exercise all of their Rights to purchase Common Shares under their Basic Subscription Privilege, and may exercise additional Rights, to the extent they are available. This reflects the intentions of such “insiders” (as defined in applicable Canadian securities legislation) as of the date hereof to the extent such intentions are reasonably known to the Company; however, such insiders may alter their intentions before the Expiry Time on the Rights Expiry Date. No assurance can be given that the respective insiders will exercise their Rights to acquire Common Shares. As at the date hereof, insiders of the Company, own or exercise control or direction over, directly or indirectly, 1,023,951 Common Shares, representing approximately 7.5% of the

issued and outstanding Common Shares. In the event that these Shareholders purchase 1,023,951 Common Shares pursuant to the Basic Subscription Privilege, these Shareholders would own an aggregate of 2,047,902 Common Shares.

As of the date hereof, John Robins, James Paterson and Calum Morrison (collectively, the “**Stand-By Purchasers**”) own, control or direct, directly or indirectly, in aggregate, 614,443 Common Shares representing 4.5% of the issued and outstanding Common Shares. The Stand-By Purchasers have advised they intend to participate in the Offering by exercising in full their Rights under the Basic Subscription Privilege and the Additional Subscription Privilege. Additionally, the Stand-By Purchasers have agreed to acquire the Stand-By Shares (the “**Stand-By Commitment**”).

Who are the holders of 10% or more of our Common Shares before and after the Offering?

To the knowledge of the directors and executive officers of the Company, as at the date hereof, no person or company beneficially owns, directly or indirectly, or controls or directs more than 10% of any class of voting securities of the Company.

DILUTION

If I do not exercise my Rights, by how much will my security holdings be diluted?

Assuming issuance of the maximum number of Common Shares under the Offering, your shareholdings will be diluted by 100%.

STAND-BY COMMITMENT

Who are the Stand-By Purchasers and what are the fees?

We have entered into a Stand-By purchase agreement (the “**Stand-By Agreement**”) dated October 7, 2020 with the Stand-By Purchasers. Each Stand-by Purchaser is a related party of GBRC. Mr. Robins is a member of the Company’s board of directors and the Chief Executive Officer of the Company. Mr. Paterson is a member of the Company’s board of directors. Mr. Morrison is the Chief Financial Officer of the Company.

The Stand-By Purchasers hold an aggregate of 614,443 Common Shares representing 4.5% of the issued and outstanding Common Shares of the Company.

Pursuant to the Stand-By Commitment in the Stand-By Agreement, the Stand-By Purchasers agreed to purchase, subject to certain terms, conditions and limitations contained within the Stand-By Agreement, and the Company has agreed to issue, the Stand-By Shares, to the extent applicable, at the Subscription Price. The Company intends to proceed with the Offering even if the conditions to the Stand-By Purchasers’ obligation to exercise the Basic Subscription Privilege and to provide the Stand-By Commitment are not met. However, if the Stand-By Purchasers become entitled to terminate such obligations and thereafter does so, the anticipated proceeds of the Offering may not be fully realized and this may have a material adverse effect on the Company. The Stand-By Purchasers may terminate the Stand-By Agreement under certain circumstances including if (i) any order is issued by a governmental entity pursuant to applicable laws, or if there is any change of law, which operates to prevent or restrict the lawful distribution of the Rights or Common Shares, as applicable; (ii) there is any claim, litigation, investigation or proceeding, including appeals and applications for review, in progress, or to the knowledge of the Company, pending, commenced or threatened, before any governmental entity; (iii) any Material Adverse Change (as that term is defined in the Stand-By Agreement) occurs; (iv) the Company is in breach of any of the material terms, conditions and covenants of the Stand-By Agreement or any Material Contract (as such term is defined in the Stand-By Agreement) and such breach has not been remedied by the Company within five business days following receipt of written notice of such breach; or (v) the Expiry Date has not occurred by November 27, 2020.

Under the Stand-By Commitment Agreement, at completion of the Offering, the Company will issue an aggregate of 2,729,258 Common Share purchase warrants (each a “**Compensation Warrant**”) to the

Standby Purchasers. Each Compensation Warrant will entitle the holder thereof to acquire one Common Share (each a "**Warrant Share**") at an exercise price of C0.50 per Warrant Share for a period of five years following the close of the Rights Offering. The Stand-By Commitment Agreement and the issuance of the Compensation Warrants was approved by the Company's independent director.

Name of Stand-By Purchaser	Number of Compensation Warrants
John Robins	1,146,288
James Paterson	1,146,288
Calum Morrison	436,682

A Stand-By Purchaser who receives Rights as a shareholder on the Record Date will not receive Compensation Warrants for exercising his Basic Subscription Privilege.

Have we confirmed that the Stand-By Purchasers have the financial ability to carry out the Stand-By Commitment?

Yes.

What are the security holdings of the Stand-By Purchasers before and after the Offering?

As of the date of this Circular, the Stand-By Purchasers hold 4.5% of the issued and outstanding Common Shares. If only the Stand-By Purchasers subscribed for Common Shares under the Offering and the Stand-By Commitment was taken up entirely, then following completion of the Offering, the Stand-By Purchasers would own 52.3% of the issued and outstanding Common Shares.

Name	Security	Holdings before the Offering	Holdings after the Offering if the Stand-By Purchasers take up the entire Stand-By Commitment
John Robins	Common Shares	544,743	6,276,184 ⁽¹⁾
	Warrants	Nil	1,146,288
	Options	Nil	Nil
James Paterson	Common Shares	32,200	5,763,641 ⁽¹⁾
	Warrants	Nil	1,146,288
	Options	Nil	Nil
Calum Morrison	Common Shares	37,500	2,220,906 ⁽¹⁾
	Warrants	Nil	436,681
	Options	Nil	Nil

(1) Assuming only the Stand-By Purchasers subscribed for Common Shares.

MANAGING DEALER AND SOLICITING DEALER

Who is the managing dealer or soliciting dealer and what are its fees?

The Company has not retained any party to solicit subscriptions for Common Shares pursuant to the Offering.

HOW TO EXERCISE THE RIGHTS

Subscriptions for Common Shares made in connection with this Offering either directly or through a Participant will be irrevocable.

How does a security holder that is a registered holder participate in the rights offering?

If you are a registered Eligible Holder, a certificate (the “**Rights Certificate**”) representing the total number of transferable Rights to which you are entitled as at Record Time on the Record Date has been mailed to you with a copy of the Offering notice. To exercise the Rights represented by the Rights Certificate, you must complete and deliver the Rights Certificate in accordance with the instructions set out below. Rights not exercised at or prior to the Expiry Time will be void and of no value. The method of delivery is at the discretion and risk of the holder of the Rights Certificate and delivery to the Rights Agent will only be effective when actually received by the Rights Agent at its Subscription Office, see “*Appointment of Rights Agent – Who is the Rights Agent?*” Rights Certificates and payments received after the Expiry Time will not be accepted.

In order to exercise your Rights you must:

1. **Complete and sign Form 1 on the Rights Certificate.** The maximum number of Rights that you may exercise under the Basic Subscription Privilege is shown in the box on the upper right hand corner of the face of the Rights Certificate. If you complete the Form 1 so as to exercise some but not all of the Rights evidenced by the Rights Certificate, you will be deemed to have waived the unexercised balance of such Rights, unless you otherwise specifically advise the Rights Agent at the time the Rights Certificate is surrendered to the Rights Agent.
2. **Additional Subscription Privilege.** Complete and sign Form 2 on the Rights Certificate only if you also wish to participate in the Additional Subscription Privilege. See “*How to exercise the Rights? – What is the Additional Subscription Privilege and how can you exercise this privilege?*” below.
3. **Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Investor Services Inc..** To exercise the Rights you must pay \$0.15 per Common Share. In addition to the amount payable for any Common Shares you wish to purchase under the Basic Subscription Privilege, you must also pay the amount required for any Common Shares subscribed for under the Additional Subscription Privilege.
4. **Delivery.** Deliver or mail the completed Rights Certificate and payment in the enclosed return envelope addressed to the Rights Agent so that it is received by the Subscription Office of the Rights Agent set forth below before the Expiry Time. If you are mailing your documents, registered mail is recommended. Please allow sufficient time to avoid late delivery.

The signature of the Rights Certificate holder must correspond in every particular with the name that appears on the face of the Rights Certificate.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a company or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Rights Agent. We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription in our sole discretion. Subscriptions are irrevocable. We reserve the right to reject any subscription if it is not in proper form or if the acceptance thereof or the issuance of Common Shares pursuant thereto could be unlawful. We also reserve the right to waive any defect in respect of any particular subscription. Neither we nor the Rights Agent is under any duty to give any notice of any defect or irregularity in any subscription, nor will we be liable for the failure to give any such notice.

How does a security holder that is not a registered holder participate in the rights offering?

You are a beneficial Eligible Holder if you hold your Common Shares through a securities broker or dealer, bank or trust company or other participant (each, a “Participant”) in the book-based system administered by CDS Clearing and Depository Services Inc. (“CDS”). The total number of Rights to which all beneficial Eligible Holders as at the Record Time on the Record Date are entitled will be issued to CDS and will be deposited with CDS following the Record Date. We expect that each beneficial Eligible Holder will receive a confirmation of the number of Rights issued to it from its Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding Rights.

Neither we nor the Rights Agent will have any liability for (i) the records maintained by CDS or Participants relating to the Rights or the book-entry accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such Rights, or (iii) any advice or representations made or given by CDS or Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or Participants.

If you are a beneficial Eligible Holder:

1. to exercise your Rights held through a Participant, you must instruct such Participant to exercise all or a specified number of such Rights, and forward to such Participant, the Subscription Price for each Common Share that you wish to subscribe for.
2. you may subscribe for Additional Common Shares pursuant to the Additional Subscription Privilege by instructing such Participant to exercise the Additional Subscription Privilege in respect of the number of Additional Common Shares you wish to subscribe for, and forwarding to such Participant the Subscription Price for such Additional Common Shares requested.

Any excess funds will be returned to the relevant Participant for the account of the beneficial holder, without interest or deduction.

Can I combine, exchange or divide my Rights Certificate?

Rights Certificates may be combined, divided or exchanged by delivering such Rights Certificates, accompanied by appropriate instructions or a completed Form 4 on the Rights Certificate, to the Subscription Office listed under the heading “*Appointment of Rights Agent – Who is the Rights Agent?*”. Rights Certificates must be surrendered for division, combination or exchange by such date as will permit new Rights Certificates to be issued and used by the holder thereof prior to the Expiry Time.

Who is eligible to receive Rights?

No offering outside of Eligible Jurisdictions. The Rights are being offered to Eligible Holders. Shareholders will be presumed to be resident in the place of their registered address, unless the contrary is shown to the satisfaction of the Company. This circular is not to be construed as an offering of the Rights, nor are the Common Shares issuable upon exercise of the Rights offered for sale, in any jurisdiction outside the Eligible Jurisdictions or to Shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions.

Ineligible Holders may not acquire Rights or the Common Shares issuable upon exercise of the Rights. We will not issue or forward Rights Certificates to Ineligible Holders unless they are Approved International Holders (as defined below). Ineligible Holders will be presumed to be resident in the place of their registered address.

Ineligible Holders will be sent the Notice, for information purposes only, together with a letter advising them that their Rights Certificates will be held by the Rights Agent. An Ineligible Holder, either registered or beneficial, may apply to the Company to claim their Rights Certificate by providing documentation confirming that the delivery of their Rights Certificate, and the exercise of their Rights, is lawful and complies with all applicable securities laws, and other laws, in the jurisdiction where the Ineligible Holder resides. If

such documentation is acceptable to the Company, in its sole discretion, the Company may provide notice to the Rights Agent that such Ineligible Holder is an approved Ineligible Holder (an “**Approved International Holder**”) and instruct the Rights Agent to deliver the Rights Certificate to the Approved International Holder. In order to exercise the Rights, the Approved International Holder must complete and deliver the Rights Certificate in accordance with the instructions set out under the heading “*How does a securityholder that is a registered holder participate in the Offering?*” prior to the Expiry Time. The Rights Certificate, and any Common Shares that may be issued upon the exercise of the Rights, may be endorsed with restrictive legends according to applicable securities laws.

An Ineligible Holder that (1) (i) is a direct or indirect holder with an address of record in the United States and who is a “qualified institutional buyer” (a “**Qualified Institutional Buyer**”) as that term is defined in Rule 144A under the *United States Securities Act of 1933*, as amended, and (ii) is acquiring the Rights or Common Shares, as applicable, for its own account or for the account of one or more Qualified Institutional Buyers with respect to which it exercises sole investment discretion, and not with a view to resale, distribution or other disposition of any of the Rights or Common Shares in violation of United States federal or state securities laws, and who provides evidence to such effect, in a form satisfactory to the Company, in its sole discretion, or (2) (i) is outside the Eligible Jurisdictions and the United States; and (2) satisfies us that such offering to and subscription by such Approved International Holder or transferee is lawful and in compliance with all applicable securities and other laws, may have its Rights Certificates issued and forwarded by the Rights Agent upon direction from us.

A holder of Rights not resident in an Eligible Jurisdiction holding on behalf of a person resident in an Eligible Jurisdiction may be able to exercise the Rights provided the holder furnishes an investor letter, satisfactory to us, on or before October 19, 2020 representing to us that the beneficial purchaser is resident in an Eligible Jurisdiction and satisfying us that such subscription is lawful and in compliance with all securities and other applicable laws (an “**Approved Eligible Holder**”).

Participants receiving Rights on behalf of beneficial Ineligible Holders will be instructed by CDS not to permit the exercise of such Rights unless the holder is an Approved Eligible Holder.

Holders of Rights who are not resident in Canada should be aware that the acquisition and disposition of Rights or Common Shares may have tax consequences in the jurisdiction where they reside, which are not described herein. Accordingly, such holders should consult their own tax advisors about the specific tax consequences in the jurisdiction where they reside of acquiring, holding and disposing of Rights or Common Shares.

What is the Additional Subscription Privilege and how can you exercise this privilege?

Registered holders of Rights

If you exercise all of your Rights under the Basic Subscription Privilege, you may subscribe for additional Common Shares that have not been subscribed and paid for pursuant to the Basic Subscription Privilege (the “**Additional Common Shares**”) pursuant to the Additional Subscription Privilege.

If you wish to exercise the Additional Subscription Privilege, you must first exercise your Basic Subscription Privilege in full by completing Form 1 on the Rights Certificate for the maximum number of Common Shares that you may subscribe for and also complete Form 2 on the Rights Certificate, specifying the number of Additional Common Shares desired. Send the purchase price for the Additional Common Shares under the Additional Subscription Privilege with your Rights Certificate to the Rights Agent. The purchase price is payable in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Investor Services Inc. These funds will be placed in a segregated account pending allocation of the Additional Common Shares, with any excess funds being returned by mail without interest or deduction.

If the aggregate number of Additional Common Shares subscribed for by those who exercise their Additional Subscription Privilege is less than the number of available Additional Common Shares, each such holder of Rights will be allotted the number of Additional Common Shares subscribed for under the Additional Subscription Privilege.

If the aggregate number of Additional Common Shares subscribed for by those who exercise their Additional Subscription Privilege exceeds the number of available Additional Common Shares, each such holder of Rights will be entitled to receive the number of Additional Common Shares equal to the lesser of:

1. the number of Additional Common Shares subscribed for by the holder under the Additional Subscription Privilege; and
2. the product (disregarding fractions) obtained by multiplying the aggregate number of Additional Common Shares available through unexercised Rights by a fraction, the numerator of which is the number of Rights previously exercised by the holder and the denominator of which is the aggregate number of Rights previously exercised by all holders of Rights who have subscribed for Additional Common Shares under the Additional Subscription Privilege.

As soon as practicable after the Expiry Time, the Rights Agent will mail to each holder of Rights who completed Form 2 on the Rights Certificate, a certificate for the Additional Common Shares which that holder has purchased and shall return to the holder any excess funds paid for the subscription of Additional Common Shares by such holder under the Additional Subscription Privilege, without interest or deduction.

Beneficial holders of Rights

If you are a beneficial holder of Rights through a Participant in CDS and you wish to exercise your Additional Subscription Privilege, you must deliver your payment and instructions to the Participant sufficiently in advance of the Expiry Time to allow the Participant to properly exercise the Additional Subscription Privilege on your behalf.

How does a Rights holder sell or transfer Rights?

Registered holders of Rights

There is no current plan to list the Rights on any stock exchange. Until the Rights are listed on a stock exchange, holders of Rights may not be able to sell or transfer their Rights. This may affect the pricing of the Rights in the secondary market and the liquidity of the Rights. Holders of Rights are advised to consult their legal advisors with respect to trading of the Rights. See *“Risk Factors – Trading Market for Rights”* and *“How to exercise the Rights – Are there restrictions on the resale of securities?”* You may elect to exercise a part of your Rights and dispose of the remainder or dispose of all your Rights. Any commission or other fee payable in connection with the exercise or any trade of Rights is the responsibility of the holder of such Rights. Depending on the number of Rights a holder may wish to sell, the commission payable in connection with a sale of Rights could exceed the proceeds received from such sale.

If you wish to transfer your Rights, complete Form 3 (the **“Transfer Form”**) on the Rights Certificate, have the signature guaranteed by an “eligible institution” to the satisfaction of the Rights Agent and deliver the Rights Certificate to the transferee. For this purpose, eligible institution means a Canadian Schedule 1 chartered bank, a major trust company in Canada, a member of the Securities Transfer Agents Medallion Program (STAMP), or a member of the Stock Exchange Medallion Program (**“SEMP”**). Members of these programs are usually members of a recognized stock exchange in Canada or members of the Investment Industry Regulatory Organization of Canada.

It is not necessary for a transferee to obtain a new Rights Certificate to exercise the Rights or the Additional Subscription Privilege, but the signature of the transferee on Forms 1 and 2 must correspond in every particular with the name of the transferee shown on the Transfer Form. If the Transfer Form is properly completed, the Company and the Rights Agent will treat the transferee as the absolute owner of the Rights Certificate for all purposes and will not be affected by notice to the contrary. A Rights Certificate so completed should be delivered to the appropriate person in ample time for the transferee to use it before the expiration of the Rights.

Beneficial holders of Rights

If you hold Common Shares through a Participant, you must arrange for the exercise, transfer or purchase of Rights through that Participant. See “How does a Rights holder sell or transfer Rights – Registered holders of Rights” and “Risk Factors – Trading Market for Rights”.

When can you trade the Common Shares issuable upon the exercise of your Rights?

There is no current plan to list the Common Shares on any stock exchange. Until the Common Shares are listed on a stock exchange, you may not be able to sell your Common Shares. This may affect the pricing of the Common Shares in the secondary market and the liquidity of the Common Shares. You are advised to consult your legal advisors with respect to trading of the Common Shares. See “Risk Factors – Trading Market for Common Shares”.

Are there restrictions on the resale of securities?

Rights, and the Common Shares issuable upon exercise of such Rights, distributed to Eligible Holders may be resold without hold period restrictions under the applicable securities laws of the Eligible Jurisdictions provided that: (i) the sale is not by a “control person” of the Company; (ii) no unusual effort is made to prepare the market or create a demand for the securities being resold; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the resale; and (iv) if the selling security holder is an insider or officer of the Company, the selling security holder has no reasonable grounds to believe that the Company is in default of securities legislation.

The Rights and the Common Shares issuable on exercise of the Rights have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. Accordingly, the Rights and Common Shares issuable upon exercise thereof may not be offered, sold, pledged or transferred, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, absent an exemption from United States federal and state registration requirements. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

Each holder is urged to consult their professional advisor to determine the exact conditions and restrictions applicable to the right to trade in securities.

Will we issue fractional Common Shares upon exercise of the Rights?

No. Where the exercise of Rights would appear to entitle a holder of Rights to receive a fractional Common Share, the holder’s entitlement will be reduced to the next lowest whole number of Common Shares.

APPOINTMENT OF RIGHTS AGENT

Who is the Rights Agent?

Computershare Investor Services Inc. is the Rights Agent for the Offering. The Rights Agent has been appointed to receive subscriptions and payments from holders of Rights and to perform the services relating to the exercise and transfer of the Rights.

What happens if we do not receive funds from the Stand-By Purchasers?

The Company intends to proceed with the Offering even if the conditions to the Stand-By Purchasers’ obligation to exercise the Basic Subscription Privilege and to provide the Stand-By Commitment are not met. However, if the Stand-By Purchasers become entitled to terminate such obligations and thereafter does so, the anticipated proceeds of the Offering may not be fully realized and this may have a material adverse effect on the Company.

MATERIAL FACTS AND MATERIAL CHANGES

There is no material fact or material change about the Company that has not been generally disclosed.

RISK FACTORS

An investment in the Rights or Common Shares issuable upon exercise of the right is subject to certain risks, including those described below, as well as in our continuous disclosure documents. You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.

Uncertainties Relating to the Availability and Cost of Funds

The Company may need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful.

Uncertainties Relating to Closing of the Offering

The closing of the Offering is subject to certain risks and uncertainties, including but not limited to the ability of the Company to obtain applicable regulatory approvals.

Activities of GBRC may be impacted by the spread of COVID-19

The Company's business could be significantly adversely affected by the effects of a widespread global outbreak of contagious disease, including the recent outbreak of respiratory illness caused by a novel coronavirus ("**COVID-19**"). The Company cannot accurately predict the impact COVID-19 will have on third parties' ability to meet their obligations with the Company, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect the Company's business and likely impact operating results.

Delays in Obtaining or Failure to Obtain Required Regulatory Approvals

A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions on the regulatory approvals could prevent the Company from completing the Offering.

Stand-by Purchasers May Terminate the Stand-by Agreement

Under the terms of the Stand-By Agreement, the Stand-By Purchasers have the right to not exercise their Basic Subscription Privilege and to terminate the Stand-by Commitment in certain circumstances including, but not limited to, the occurrence of a "Material Adverse Change" (as defined in the Stand-By Agreement). If the Stand-By Purchasers become entitled to not exercise their Basic Subscription Privilege and to terminate the Stand-by Commitment and thereafter does so, the Offering may not be fully subscribed and the anticipated proceeds of the Offering may not be fully realized.

Costs to completion of the Offering

There is uncertainty associated with estimating costs to completion of the Offering, including those yet to be incurred.

Fluctuations in Value of Company's Investments

Fluctuations in the fair value of the Company's investments could materially increase or decrease the Company's proceeds of dispositions and available funds.

Dilution

If you do not exercise all of your Rights pursuant to the Basic Subscription Privilege, your current percentage ownership in the Company will be diluted by the issuance of Common Shares upon the exercise of Rights by other holders of Rights.

Trading Market for Rights

There is no current plan to list the Rights on any stock exchange. Until the Rights are listed on a stock exchange, holders of Rights may not be able to sell or transfer their Rights. This may affect the pricing of the Rights in the secondary market and the liquidity of the Rights. Holders of Rights are advised to consult their legal advisors with respect to trading of the Rights.

Trading Market for Common Shares

The Common Shares are not currently listed on any stock exchange. Until the Common Shares are listed on a stock exchange, holders of Common Shares may not be able to sell their Common Shares. This may affect the pricing of the Common Shares in the secondary market and the liquidity of the Common Shares. Holders of Common Shares are advised to consult their legal advisors with respect to trading of the Common Shares. Even if a listing is obtained, the holding of Common Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment.

Exercise of Rights Irrevocable

You may not revoke or change the exercise of your Rights after you send in your subscription form and payment. The Common Share trading price could decline below the Subscription Price for the Common Shares, resulting in a loss of some or all of your subscription payment.

Subscription Price Not Necessarily Indication of Value

You should not consider the Subscription Price to be an indication of the Company's value. The fair market value of the Common Shares is subject to change and may decline below the Subscription Price.

Responsibilities of Holders of Rights

If you fail to follow the subscription procedures and meet the subscription deadline your subscription may be rejected. None of the Company, the Rights Agent or any Participant undertakes to contact you concerning, or will attempt to correct, an incomplete or incorrect payment or subscription form. Whether a subscription properly follows subscription procedures is solely within our discretion.

ADDITIONAL INFORMATION

Where can you find more information about the Company?

You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedar.com.