

2018YE



Management Information
Circular

Dated: March 28, 2019

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Invitation to Shareholders

Dear Fellow Shareholders,

On behalf of AutoCanada's Board of Directors, management and employees, I invite you to attend the 2019 Annual and Special Meeting of Shareholders. The meeting will be hosted at:

WHERE: DoubleTree Hilton Toronto (Shanghai Room)
108 Chestnut Street
Toronto, Ontario
M5G 1R3

WHEN: Friday, May 3, 2019
11:00 a.m. (Eastern Time)

At the meeting, we will report on AutoCanada's financial and operating performance for 2018. In addition, you will have an opportunity to meet with members of our Board of Directors and management to discuss items of interest to you.

The business items to be dealt with are described in the notice of meeting and management information circular. We value the views of our shareholders and appreciate the time you spend understanding and voting on the formal items of business to be considered at the meeting.

Our management information circular and related proxy materials, along with additional documentation and information concerning AutoCanada, is available on our website at www.autocan.ca. You will also find recently filed corporate disclosure documents under the "Investors" section on our website.

If you are unable to attend the Annual and Special Meeting in person, or if you hold your shares in the name of a nominee, such as your brokerage firm, I encourage you to vote your proxy by any of the means available to you. We thank you for your continued support.

Sincerely,

(signed) "Paul Antony"

Paul Antony
Executive Chair
AutoCanada Inc.

Notice of Annual and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN that the annual and special meeting (including any adjournments or postponements thereof, the "Meeting") of the holders (the "Shareholders") of common shares (the "Shares") of AutoCanada Inc. (the "Company" or "AutoCanada") will be held at the DoubleTree Hilton Toronto (Shanghai Room), 108 Chestnut Street, Toronto, Ontario M5G 1R3, on Friday, May 3, 2019 at 11:00 a.m. (Eastern Time) for the following purposes:

1. TO RECEIVE the audited consolidated financial statements for the year ended December 31, 2018, together with the report of the auditor thereon;
2. TO FIX THE NUMBER OF DIRECTORS to be elected by the Shareholders at seven;
3. TO ELECT the directors of the Company for the ensuing year;
4. TO APPOINT PricewaterhouseCoopers LLP as the independent auditor of the Company and authorize the Board of Directors of the Company to fix their remuneration;
5. TO APPROVE unallocated options under the Stock Option Plan of the Company; and
6. TO TRANSACT such other business as may properly come before the Meeting or any postponement or adjournment thereof.

As a Shareholder, you are entitled to attend the Meeting and to cast one vote for each Share of the Company that you own. The specific details of all matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

It is desirable that as many Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose to our transfer agent, Computershare Trust Company of Canada ("Computershare"), as follows:

1. By mail to Computershare, Proxy Department, 135 West Beaver Creek, P.O. Box 300, Richmond Hill, Ontario, L4B 4R5;
2. By hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
3. By fax to 1-416-263-9524 or 1-866-249-7775; or
4. By internet at www.investorvote.com.

All proxies, to be valid, must be received by Computershare, at least forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting. Late proxies may be accepted or rejected by the Chair of the Meeting in his or her discretion, and the Chair of the Meeting is under no obligation to accept or reject any particular late proxy.

If you are a non-registered beneficial Shareholder, you must follow the instructions provided by your broker, securities dealer, bank, trust company or similar entity in order to vote your Shares. The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting.

DATED at Edmonton, Alberta this 28th day of March, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Peter Hong"

Peter Hong, Chief Strategy Officer & General Counsel

About this Information Circular and Related Proxy Materials

The management ("Management") of AutoCanada Inc. ("AutoCanada" or the "Company") is providing this management information circular ("Information Circular") and related proxy materials to you in connection with the solicitation of proxies by Management for use at the annual and special meeting of holders ("Shareholders") of common shares of the Company ("ACI Shares") scheduled to be held at the DoubleTree Hilton Toronto (Shanghai Room), 108 Chestnut Street, Toronto, Ontario M5G 1R3, on Friday, May 3, 2019 at 11:00 a.m. (Eastern Time) or at any adjournments or postponements thereof (the "Meeting"), for the purposes set forth in the accompanying Notice of Meeting.

This Information Circular describes the business of the Meeting, resolutions to be voted upon and the voting process, and provides information about the members ("Directors") of AutoCanada's board of directors (the "Board") and senior management, the Directors nominated for the 2019 year, our corporate governance practices and our executive compensation philosophy.

As a Shareholder, you are invited to attend the Meeting. If you are unable to attend in person, you may still vote. Please see the "How Do I Vote?" section for an explanation of how you can vote on the matters to be considered at the Meeting.

Unless otherwise indicated, the information contained herein is given as at March 28, 2019.

Solicitation, Appointment, and Revocation of Proxies

VOTING INFORMATION

What will I be voting on?

You may vote on the following matters at the Meeting:

1. To fix the number of Directors to be elected by Shareholders at seven;
2. To elect our Directors;
3. To appoint our auditor and authorize the Directors to set their remuneration; and
4. To approve unallocated options under the Stock Option Plan of the Company.

Who can vote?

Shareholders of record on March 20, 2019 (the "Record Date") are entitled to vote at the Meeting. To vote any ACI Shares you acquire subsequent to the Record Date, you must, not later than 10 days before the Meeting:

- (a) Request through our transfer agent, Computershare, to the attention of Proxy Department at 886-732-8683, that we add your name to the voting list; and
- (b) Produce properly endorsed share certificates or otherwise establish that you own the ACI Shares.

How many votes are required to approve matters?

All matters to be addressed at the Meeting must be approved by a simple majority of the votes cast by Shareholders, either by proxy or in person at the Meeting.

How many votes do I have?

You are entitled to one vote for every ACI Share that you are entitled to vote at the Meeting.

How will meeting materials be delivered?

We are using notice and access to deliver the Information Circular to both our registered and non-registered shareholders. This means that the Company will post the Information Circular online for Shareholders to access electronically on the Company's profile at www.sedar.com and on the Company's website at www.autocan.ca. You will receive a package in the mail with a notice (the "Notice") explaining how to access and review the circular electronically, and how to request a paper copy at no charge. You will also receive a form of proxy or a voting instruction form in the mail so you can vote your ACI Shares. All applicable meeting related materials will be indirectly forwarded to non-registered Shareholders at the Company's expense. The Company will provide paper copies of the Information Circular to Shareholders who have standing instructions to receive, or for whom the Company has otherwise received a request to provide, paper copies of materials.

Notice and access is an environmentally friendly and cost effective way to distribute the Information Circular because it reduces printing, paper and postage.

How many ACI Shares can vote?

AutoCanada is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. As of the Record Date, there were 27,459,683 ACI Shares issued and outstanding and no preferred shares issued and outstanding. On all matters to be considered and acted upon at the Meeting, holders of ACI Shares are entitled to one vote for each ACI Share held.

To the knowledge of the directors and the executive officers of the Company, as at the Record Date, no person or entity beneficially owned, or controlled or directed, directly or indirectly, more than 10% of the ACI Shares, except as set out in the following table:

Name	Number of ACI Shares Owned or Controlled at the Record Date	Percentage of ACI Shares Outstanding
EdgePoint ⁽¹⁾⁽³⁾	5,351,130	19.49%
BloombergSen ⁽²⁾⁽³⁾	3,217,910	11.72%

⁽¹⁾ EdgePoint includes the following entities: EdgePoint Investment Group Inc., Cymbria Corp., EdgePoint Canadian Growth & Income Portfolio, EdgePoint Canadian Portfolio and EdgePoint Variable Income Portfolio.

⁽²⁾ BloombergSen includes the following entities: BloombergSen Partners Fund, BloombergSen Master Fund LP, BloombergSen Canadian Master Fund LP, the principals of BloombergSen and the holders of accounts managed by BloombergSen.

⁽³⁾ This information is based solely on information filed on the Company's profile at www.sedar.com.

Who counts the votes?

Proxies and votes of Shareholders attending the Meeting are counted by Computershare, who will act as scrutineer of the Meeting. Following the Meeting, a report on the voting results will be filed under AutoCanada's profile on SEDAR at www.sedar.com.

What is the deadline for proxy voting?

We encourage you to submit your proxy as soon as possible to ensure that your vote is counted. Proxies must be received by Computershare not later than 11:00 a.m. (Eastern Time) on Wednesday, May 1, 2019 or if the Meeting is adjourned or postponed, 48 hours before such adjourned or postponed Meeting (excluding Saturdays, Sundays and holidays). The time limit for the deposit of proxies may be waived by the Board without notice. If you are a non-registered Shareholder exercising voting rights through a nominee, you should consult the voting instruction form from your nominee as they may have different and earlier deadlines.

HOW DO I VOTE?

You should first determine whether you are a registered Shareholder or a non-registered Shareholder.

- You are a registered Shareholder if your name appears on your Share certificate or if you hold your ACI Shares under your name on the records of Computershare.
- You are a non-registered Shareholder if your ACI Shares are not held in your name but are held in the name of a nominee or intermediary such as a bank, trust company, securities broker, trustee or other custodian.

I am a registered Shareholder. How do I vote by proxy?

You can use the enclosed instrument of proxy ("Instrument of Proxy") to appoint your proxyholder and to indicate how you want your ACI Shares voted. The persons named in the Instrument of Proxy are Directors or officers of AutoCanada. However, you can choose another person to be your proxyholder, including someone who is not a Shareholder. If you choose this option, you should cross out the names printed on the Instrument of Proxy and insert another person's name in the blank space provided, or by completing another appropriate proxy form.

You may vote by proxy even if you plan to attend the Meeting.

Registered Shareholders have four ways to submit a completed Instrument of Proxy:

1. By fax, by completing and signing the enclosed Instrument of Proxy and forwarding it by fax to the attention of Computershare at 1-416-263-9524 or 1-866-249-7775;
2. By internet, by completing and submitting an Instrument of Proxy at www.investorvote.com, to transmit their voting instructions. Shareholders should have the Instrument of Proxy in hand when they access the web site and will be prompted to enter their Control Number, which is located on the Instrument of Proxy. If Shareholders vote by internet, their vote must be received not later than 11:00 a.m. (Eastern Time) on Wednesday, May 1, 2019 or 48 hours prior to the time of any adjournment or postponement of the Meeting. The website may be used to appoint a proxyholder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their Instrument of Proxy and/or voting direction, prior to the deadline noted above.

When resubmitting an Instrument of Proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last Instrument of Proxy is submitted by the deadline noted above;

3. By mail, by completing and signing the enclosed Instrument of Proxy and mailing it in the envelope provided; or
4. By hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

The ACI Shares represented by your Instrument of Proxy will be voted or withheld from voting in accordance with your instructions indicated on the Instrument of Proxy. Unless contrary instructions are provided, the ACI Shares represented by proxies received by Management will be voted FOR each matter to be presented at the Meeting.

Beneficial Shareholders

I am a non-registered Shareholder. How do I vote?

Shareholders who hold their ACI Shares through their nominee (brokers, intermediaries, trustees or other persons), or who otherwise do not hold their ACI Shares in their own name ("Non-registered Shareholders") should note that only proxies deposited by Shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of ACI Shares will be recognized and acted upon at the Meeting.

You should have received the Notice from your nominee, together with a voting instruction form. Please contact your nominee if you did not receive a voting instruction form. Each nominee has its own signing and return instructions, which you should follow carefully to ensure that your votes are tabulated. Your nominee is required to seek your instructions as to the manner in which to vote your ACI Shares. If you do not complete a voting instruction form, your nominee cannot vote your ACI Shares.

If ACI Shares are listed in an account statement provided to a Non-registered Shareholder by a broker, those ACI Shares will, in all likelihood, not be registered in the Shareholder's name. Such ACI Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Non-registered Shareholders in order to ensure that their ACI Shares are voted at the Meeting. The form of proxy supplied to a Non-registered Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Non-registered Shareholder. If you have any questions respecting the voting of ACI Shares held through a broker or other intermediary, please contact that broker or nominee well in advance of the Meeting for assistance.

You can appoint a person other than the Directors or officers of AutoCanada named on the voting instruction form as your proxyholder. This person does not have to be a Shareholder. Indicate the name of the person you are appointing in the space provided on the voting instruction form and complete the remainder of the form in accordance with the instructions provided by your nominee.

I am a Non-registered Shareholder. Can I vote in person?

Unless your nominee has appointed you as proxyholder, we have no record of your shareholdings or of your entitlement to vote. If you are a non-registered Shareholder and wish to vote in person at the Meeting, please fill in your name in the space provided on the voting instruction form sent to you by your nominee. In so doing, you are instructing your nominee to appoint you as proxyholder. Again, if you are a Non-registered Shareholder and wish to vote in person at the Meeting, please refer to the voting instruction form you received or contact your nominee well in advance of the Meeting to determine how you can do so. If you are a Non-registered Shareholder who has voted and want to change your mind and vote in person, contact your nominee to obtain information on the procedure to follow, where possible.

PROXY INFORMATION

How are proxies solicited?

Proxies are solicited primarily by mail or by any other means Management may deem necessary. Members of Management receive no additional compensation for these services, but are reimbursed for any expenses incurred by them in connection with these services. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of ACI Shares registered in the names of these persons, and AutoCanada may reimburse them for their reasonable transaction and clerical expenses. Costs of solicitation of proxies are borne by AutoCanada.

I have elected to vote by proxy. How are my voting rights exercised?

On the Instrument of Proxy, you have two choices: (a) you can indicate how you want your proxyholder to vote your ACI Shares; or (b) you can let your proxyholder decide for you. If you have specified on the Instrument of Proxy how you want your ACI Shares to be voted on a particular matter, then your proxyholder must vote your ACI Shares accordingly in the case of either a vote by show of hands or a vote by ballot. If you have chosen to let your proxyholder decide for you, your proxyholder can then vote in accordance with his or her judgment.

The ACI Shares represented by your Instrument of Proxy will be voted or withheld from voting in accordance with your instructions indicated on the Instrument of Proxy. Unless contrary instructions are provided, the ACI Shares represented by proxies received by Management will be voted FOR each matter to be presented at the Meeting.

What if there are amendments to the resolutions or if other matters are brought before the Meeting?

The Instrument of Proxy delivered in connection with the Meeting gives the persons named the authority to use their discretion and judgment in voting on amendments or variations to matters identified in the Notice of Meeting or any other matter duly brought before the Meeting.

As of the date of this Information Circular, Management is not aware of any amendments to the matters set out in the Notice of Meeting or of other matters to be presented at the Meeting. However, if other matters duly come before the Meeting, the persons named on the enclosed Instrument of Proxy will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred by the Instrument of Proxy with respect to such matters.

Can I revoke my proxy if I change my mind?

You can revoke your proxy at any time before it is exercised. To do this if you are a registered Shareholder, you must deliver an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized to Computershare not later than Wednesday, May 1, 2019 at 11:00 a.m. (Eastern Time), or to the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner prescribed by law.

If you are a Non-registered Shareholder who has voted and you want to change your mind or revoke your voting instructions, contact your nominee to obtain information on the procedure to follow, where possible.

If you are a registered Shareholder and have already submitted an Instrument of Proxy and you plan to attend personally at the Meeting, you may revoke the proxy at the Meeting and vote in person.

Matters to be acted upon at the Meeting

BUSINESS OF THE MEETING

1. Consolidated Financial Statements

The consolidated financial statements of AutoCanada for the year ended December 31, 2018 and the auditor's report thereon have been delivered, either by mail or electronically, to all registered Shareholders and also to Non-registered Shareholders who requested such documents. These financial statements will be presented to the Shareholders at the Meeting and no vote is required with respect to this matter. The Directors have approved these financial statements. A copy of the audited consolidated financial statements can also be accessed electronically on the Company's profile at www.sedar.com and on our website at www.autocan.ca.

2. Number of Directors

According to its Articles of Incorporation, AutoCanada may have between three and 10 Directors. There are presently seven Directors of AutoCanada. The term of office of each of the present Directors expires at the close of the Meeting.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve an ordinary resolution to fix the number of Directors to be elected by Shareholders at seven.

We recommend that you vote FOR fixing the number of Directors to be elected at seven. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote FOR fixing the number of Directors to be elected at seven.

3. Election of Directors

The following are the names of the seven proposed nominees for election as Directors of AutoCanada:

1. **Paul Antony**
2. **Dennis DesRosiers**
3. **Stephen Green**
4. **Barry James**
5. **Maryann Keller**
6. **Elias Olmeta**
7. **Michael Rawluk**

At the Meeting, it is proposed that Shareholders elect each of the nominees listed above to serve as a Director of AutoCanada and to hold such office until the earlier of our next annual meeting of Shareholders or until his or her successor is elected.

We recommend that you vote FOR the election of the nominees listed above. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote FOR the election of those nominees.

The Board has adopted a policy which requires that any nominee for election as a director who receives a greater number of votes "withheld" than votes "for" his or her election as a director shall submit his or her resignation to the Board for consideration forthwith following the Meeting. This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected. The Board shall consider the resignation and determine whether or not to accept the resignation within 90 days of the applicable meeting and a news release shall be issued by the Company announcing the Board's determination. Any director who tenders his or her resignation shall not participate in any meetings to consider whether the resignation shall be accepted.

At our annual and special meeting of Shareholders on May 8, 2015, Shareholders approved and adopted By-Law No. 2 (Advance Notice By-Law) which sets out the framework for advance notice of nominations of directors by Shareholders.

If a Shareholder wishes to nominate someone for election, nominations must comply with the procedures set out in By-Law No. 2. A copy of By-Law No. 2 was filed on www.sedar.com on March 20, 2015.

Detailed information about these nominees is contained in this Information Circular in the “Information Concerning the Director Nominees” section.

Management is not aware of any reason why any of the nominees named herein would be unable or unwilling to serve as a Director. However, if a nominee is not available to serve at the time of the Meeting, and unless otherwise specified (including by a Shareholder direction to withhold a vote), the persons designated in the Instrument of Proxy may vote in favour of a substitute nominee or nominees selected by the Board.

4. Appointment of Independent Auditor

During the nine previous financial years ended December 31, PricewaterhouseCoopers LLP has served as the auditor to AutoCanada, and previously to AutoCanada Income Fund, predecessor to the Company. Representatives of the auditor will be present at the Meeting and will be given the opportunity to speak and to answer any questions.

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to approve an ordinary resolution to reappoint PricewaterhouseCoopers LLP to serve as the auditor of AutoCanada until the next annual meeting of Shareholders and to authorize the Directors to fix their remuneration.

Fees payable for the years ended December 31, 2018 and December 31, 2017 to PricewaterhouseCoopers LLP were \$1,499,140 and \$1,191,630, respectively, as detailed in the following table:

Fee category	2018	2017
Audit fees ⁽¹⁾	\$ 634,139	\$ 566,440
Audit-related fees ⁽²⁾	\$ 455,921	\$ 322,950
Tax fees ⁽³⁾	\$ 409,080	\$ 302,240
All other fees ⁽⁴⁾	\$ —	\$ —
Total	\$ 1,499,140	\$ 1,191,630

⁽¹⁾ Audit fees, system conversion and acquisition related testing.

⁽²⁾ Audit-related fees include all fees paid to PricewaterhouseCoopers LLP for the review of the interim consolidated financial statements and other services in connection with regulatory filings.

⁽³⁾ Tax fees includes all fees paid to PricewaterhouseCoopers LLP for tax compliance matters and tax consulting services.

⁽⁴⁾ All other fees includes all fees paid to PricewaterhouseCoopers LLP for securities offerings and other assurance review engagements.

We recommend that you vote FOR the reappointment of PricewaterhouseCoopers LLP as our auditor to hold office until the close of the next annual shareholders’ meeting at remuneration to be fixed by the Board. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote FOR this reappointment.

5. Approval of Unallocated Options

Pursuant to the policies of the Toronto Stock Exchange (“TSX”), unallocated options, rights or other entitlements granted under security based compensation arrangements that do not have a fixed maximum number of securities issuable, must be approved by the issuer’s securityholders every three years. The Stock Option Plan (the “Option Plan”) of the Company, which was approved by Shareholders on December 17, 2009, requires the foregoing approval as the number of authorized but unissued ACI Shares that may be subject to the Option Plan is 10% of the aggregate number of issued and outstanding ACI Shares. All unallocated options were last approved by Shareholders on May 6, 2016.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution approving the unallocated options under the Option Plan. There have not been any amendments to the Option Plan since it was last approved in 2009.

As at the date hereof, there were options to purchase 2,300,000 ACI Shares outstanding under the Option Plan, which represents approximately 8.4% of currently outstanding ACI shares, leaving unallocated options to purchase an aggregate of 445,968 ACI Shares available for future grants, representing 1.6% of the currently outstanding ACI Shares.

If approval is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated options under the Option Plan until 2022. If approval is not obtained at the Meeting, options which have been allocated will continue and will not be affected, however in such circumstances, additional options will not be available for grant, including any options that may become available for grant upon expiry or cancellation of currently outstanding options.

Further information relating to the Option Plan is provided in this Management Information Circular under the heading "Compensation Discussion and Analysis - AutoCanada Stock Option Plan".

The complete text of the ordinary resolution which the Company intends to place before the Meeting, for consideration and approval by Shareholders is as follows:

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

1. All unallocated options under the Option Plan of the Company be and are hereby approved;
2. The Company is hereby authorized to continue granting options under the Option Plan until May 3, 2022, being the date that is three years from the date of this shareholder approval of unallocated option entitlements under the Option Plan and the Option Plan is hereby renewed in its entirety; and
3. Any one or more of the directors or officers of the Company is hereby authorized to sign all such documents and to do all such acts and things as such director or officer determines, in his or her discretion, to be necessary or advisable in order to properly implement and give effect to the foregoing."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or by proxy at the Meeting on such resolution.

We recommend that you vote FOR the resolution approving unallocated options to be granted pursuant to the Option Plan. Unless otherwise instructed, the management representatives designated in the enclosed proxy intend to vote FOR this resolution.

Information Concerning the Director Nominees

The following information relating to the nominees as Directors is based partly on our records and partly on information received from each nominee, and is current as of the date of the Information Circular. All information is presented as at March 28, 2019. Each Director elected at the Meeting will hold office until the earlier of our next annual meeting of Shareholders or until his or her successor is elected. Information provided below with respect to securities held by each Director is based upon information furnished by the individual and upon reports filed on the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.



PAUL W. ANTONY

Age: 51

Ontario, Canada

Director since: 2018

Not Independent

Current occupation:

Executive Chair, AutoCanada Inc.
President & Chief Executive Officer, MAP Investco

Previous occupation:

Founder & Chair, Carproof Corporation

Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board (Executive Chair)	20 of 20 ⁽¹⁾	100%	153,990 ⁽²⁾
Special (Chair) ⁽³⁾	5 of 5	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)

Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	614,800	2,123	616,923	\$ 7,002,076
2017	—	—	—	—
2016	—	—	—	—

Other Reporting Issuer Board/Committee Memberships in the Past Five Years

Company	Type of Company	Committee(s)/Positions
None		

⁽¹⁾ Mr. Antony joined the Board on May 4, 2018. Attendance is in respect of meetings held after Mr. Antony joined the Board.

⁽²⁾ This reflects compensation as an independent Director for the period from May 4, 2018 up until Mr. Antony's appointment as Executive Chair on August 8, 2018.

⁽³⁾ The Special Committee was established in June 2018 to review strategic alternatives that may be available to the Company to maximize shareholder value. The Special Committee completed its mandate in August 2018.



DENNIS DESROSIERS

Age: 68

Ontario, Canada

Director since: 2007

Independent

Current occupation:

President, DesRosiers Automotive Consultants Inc.

Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board	17 of 21	81%	122,500
Governance and Compensation	4 of 4	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)				
Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	14,500	15,857	30,357	\$ 344,552
2017	4,500	12,686	17,186	389,091
2016	4,500	10,677	15,177	350,892

Other Reporting Issuer Board/Committee Memberships in the Past Five Years		
Company	Type of Company	Committee(s)/Positions
None		



STEPHEN GREEN

Age: 65

New York, USA

Director since: 2018

Independent

Current occupation:

Corporate Director

Previous occupation:

Executive Vice President of Legal and Corporate Secretary, IHS Inc. (now IHS Markit Ltd.)

Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board	5 of 5 ⁽¹⁾	100%	49,902
Governance and Compensation (Chair)	1 of 1 ⁽¹⁾	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)

Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	—	4,348	4,348	\$49,350
2017	—	—	—	—
2016	—	—	—	—

Other Reporting Issuer Board/Committee Memberships in the Past Five Years

Company	Type of Company	Committee(s)/Positions
None		

⁽¹⁾ Mr. Green joined the Board on August 9, 2018. Attendance is in respect of meetings held after Mr. Green joined the Board.



BARRY L. JAMES

Age: 60

Alberta, Canada

Director since: 2014

Independent

Current occupation:

President, Barry L. James Advisory Services Ltd.

Previous occupation:

Managing Partner, PricewaterhouseCoopers LLP (Edmonton)

Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board	21 of 21	100%	
Audit (Chair)	4 of 4	100%	149,500
Special ⁽¹⁾	5 of 5	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)

Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	13,267	7,431	20,698	\$ 234,922
2017	3,267	4,490	7,757	175,618
2016	1,372	2,633	4,005	92,596

Other Reporting Issuer Board/Committee Memberships in the Past Five Years

Company	Type of Company	Committee(s)/Positions
Corus Entertainment	TSX	Board Director, Audit Committee Chair, Executive Committee Member

⁽¹⁾ The Special Committee was established in June 2018 to review strategic alternatives that may be available to the Company to maximize shareholder value. The Special Committee completed its mandate in August 2018.



MARYANN N. KELLER

Age: 75	Connecticut, USA	Director since: 2015	Independent
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Current occupation:	Principal, Maryann Keller & Associates
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Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board (Lead Director)	21 of 21	100%	127,000
Audit	4 of 4	100%	
Governance and Compensation	4 of 4	100%	
Special ⁽¹⁾	5 of 5	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)				
Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	8,000	22,529	30,529	\$ 346,504
2017	1,500	13,212	14,712	333,080
2016	1,500	7,200	8,700	201,144

Other Reporting Issuer Board/Committee Memberships in the Past Five Years		
Company	Type of Company	Committee(s)/Positions
Dollar Thrifty Automotive Group	NYSE	Former Board Director, Audit Committee Chair, Executive Committee Member

⁽¹⁾ The Special Committee was established in June 2018 to review strategic alternatives that may be available to the Company to maximize shareholder value. The Special Committee completed its mandate in August 2018.

ELIAS OLMETA



Age: 51

California, USA

Director since: 2018

Independent

Current occupation:

Executive Vice President and Chief Financial Officer, Mitchell International Inc.

Previous occupation:

Executive Consultant, Carproof Corporation
Senior Vice President of Corporate Development, Solera Holdings

Board/Committee Membership as at December 31, 2018	2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board	5 of 5 ⁽¹⁾	100%	49,902
Audit	1 of 1 ⁽¹⁾	100%	

Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)

Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	—	4,348	4,348	\$49,350
2017	—	—	—	—
2016	—	—	—	—

Other Reporting Issuer Board/Committee Memberships in the Past Five Years

Company	Type of Company	Committee(s)/Positions
None		

⁽¹⁾ Mr. Olmeta joined the Board on August 9, 2018. Attendance is in respect of meetings held after Mr. Olmeta joined the Board.



MICHAEL RAWLUK

Age: 45

Alberta Canada

Director since: 2018

Not Independent

Current occupation:

President, AutoCanada Inc.

Previous occupation:

Chief Operating Officer, Birchwood Automotive Group

Board/Committee Membership as at December 31, 2018		2018 Attendance	2018 Attendance (Total)	Value of Total Compensation Earned in 2018 (\$)
Board		4 of 5 ⁽¹⁾	80%	Not eligible
Securities Held as at December 31, 2018 (at Market Value of \$11.35 per Common Share)				
Year	Shares (#)	DSUs (#)	Total Share and DSUs (#)	Total Market Value of Shares and DSUs (\$)
2018	33,439	19,533	52,972	\$601,232
2017	—	—	—	—
2016	—	—	—	—
Other Reporting Issuer Board/Committee Memberships in the Past Five Years				
Company	Type of Company	Committee(s)/Positions		
None				

⁽¹⁾ Mr. Rawluk joined the Board on August 9, 2018. Attendance is in respect of meetings held after Mr. Rawluk joined the Board.

Cease Trade Order, Bankruptcies, Penalties or Sanctions

In the 10-year period preceding the date of this Information Circular, AutoCanada is not aware of any proposed director of the Company who had been a director, chief executive officer or chief financial officer of any company which was subject to an order that was issued while the director was acting in such capacity, or that was issued after the director ceased to be acting in such capacity and which resulted from an event that occurred while the director was acting in such capacity.

Other than as described below, in the 10-year period preceding the date of this Information Circular, AutoCanada is not aware of any proposed director of the Company who had been a director or executive officer of any company which, while that person was acting in that capacity or within a year of ceasing to act in that capacity, became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has, within 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 proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

To the knowledge of the AutoCanada Directors, no proposed Director, or a holding company of such proposed Director, has been subject to: (i) any penalties 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.

Compensation Discussion and Analysis

Introduction

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of its Chief Executive Officer or equivalent, the Chief Financial Officer and the Company's three most highly compensated executive officers (other than the Chief Executive Officer or equivalent and the Chief Financial Officer) whose total compensation exceeds \$150,000 (the "NEOs").

The compensation discussion and analysis ("CD&A") is intended to provide Shareholders with an understanding of the Company's approach to compensation, including a description of the decisions and processes involved, the different components of the Company's program, what the Company paid NEOs for the financial year ended December 31, 2018, and why. The NEOs for the financial year ended December 31, 2018 were:

- **Paul Antony, Executive Chair**
- **Michael Rawluk, President**
- **Raj Juneja, formerly Chief Financial Officer**
- **Peter Hong, Chief Strategy Officer & General Counsel**
- **William 'Bill' Berman, formerly President U.S. Operations**
- **Steven Landry, formerly President & Chief Executive Officer**
- **Christopher Burrows, formerly Chief Financial Officer**

Executive Compensation Philosophy

The Company recognizes the critical importance that a highly engaged leadership team plays in the creation of sustained shareholder value. Through its compensation programs, the Company is able to attract, motivate and retain the caliber of executives needed in a highly competitive marketplace. Generally, the Company's current executive compensation programs are designed to:

- attract and retain high caliber executives who can advance the Company's strategy in a competitive environment;
- motivate executives to act in the best interests of the shareholders and other key stakeholders through performance-based compensation;
- reward executives for demonstrated leadership and the achievement of strategic corporate objectives; and
- provide market competitive compensation for delivering on the Company's goals with increased compensation opportunity for exceptional results.

During the financial year ended December 31, 2018, there were significant changes to the composition of the Board of Directors, including the Committee, and a complete change of the senior executives of the Company. The executive compensation program for the current senior executives of the Company, who joined the Company during the period from July to August of 2018, took into account the key objective of attracting and retaining high caliber senior executives during this period of transition and uncertainty, including through the one-time grant of Options.

The Committee is responsible for reviewing the implications of risks associated with the Company's compensation policies and practices and reporting any identified risks that are reasonably likely to have a material adverse effect on the Company. The Committee considers the balance between long term objectives and short term financial goals incorporated into the Company's executive compensation program and whether or not executives are potentially encouraged to expose the Company to inappropriate or excessive risk. The Company's executive compensation program has been structured similarly among all of the members of the Company's senior leadership team and the Board has the discretion to award incentives based on short-term and long-term objectives. As at the date of this Management Information Circular, the Committee has not identified any risks relating to the Company's compensation policies that are reasonably likely to have a material adverse effect on the Company.

Trading Policy

The Company maintains a comprehensive disclosure and trading policy ("Joint Disclosure, Confidentiality, Trading and Anti-Hedging Policy"). The Joint Disclosure, Confidentiality, Trading and Anti-Hedging Policy specifically restricts any policy participant from purchasing financial instruments, including, for greater clarity, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in the market value of AutoCanada securities or share-based or option-based awards granted by AutoCanada as compensation or held, directly or indirectly, by the policy participant. In addition, subject to certain limited exceptions, the *Canada Business Corporations Act* prohibits a director or officer of AutoCanada or its subsidiaries or a person employed or retained by AutoCanada from knowingly selling securities of AutoCanada, directly or indirectly, where such person does not own or has not fully paid for the securities being sold or from knowingly selling a call or buying a put in respect of securities of AutoCanada.

Role and Composition of the Governance and Compensation Committee

The Board of Directors of the Company has delegated to the Governance and Compensation Committee (the "Committee") responsibility for setting and implementing compensation policy for the Company's senior leadership team. The Committee consists of three independent directors of AutoCanada. The Committee is comprised of Stephen Green - Chair of the Committee, Dennis DesRosiers and Maryann Keller, all of whom are independent Directors of the Company within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*. The Board of Directors believes that the Committee collectively has the knowledge, experience and background in executive compensation and human resources matters required to fulfill its mandate. The Committee has a formal mandate and a detailed annual work plan, both of which are reviewed and, if required, updated annually.

Executive Compensation

The goal of the executive compensation framework is achieve the objectives set out above under "Executive Compensation Philosophy".

To determine the appropriate compensation mix, the Committee considers the short and long-term business objectives of the Company, the executive's ability to affect such objectives and the Company's results, together with appropriate market practices.

Annual Compensation Review Process

Each year, the Committee reviews the total compensation for the Company's senior executives. The determination of base salary adjustments and incentive based awards for the senior executives begins with a review of performance against applicable objectives. The Committee also assesses the sustained individual performance and anticipated future potential of each senior executive and makes a recommendation to the Board of Directors in respect of the any base salary adjustments and appropriate incentive awards.

Components of Executive Compensation

The components of the Company's compensation package for the senior executives, and the descriptions of the key attributes of the programs are outlined below. Only senior executives participate in the Incentive Compensation Plan.

Base Salary - Compensates executives for the leadership and specific skills needed to fulfill their responsibilities.

Incentive Compensation Plan - Rewards executives for their contribution to the achievement of annual financial and non-financial goals by providing performance-based bonuses and links the long term interests of executives and shareholders by rewarding executives for achieving the goals of the Company by awarding long-term equity-based incentives.

Base Salary

Individual executive salaries are typically set with a view towards offering market-competitive fixed compensation in order to attract and retain leaders with the appropriate skill sets. The Committee makes an annual recommendation to the Board for each senior executive's annual salary, taking into consideration market comparators for the executive's position, the experience, knowledge and performance of the executive and the total compensation packages of the executives. There are no annual inflationary or automatic adjustments to executive salaries; however executive salaries will continue to be reviewed on an annual basis to ensure alignment with the market.

Incentive Compensation Plan

The Incentive Compensation Plan provides the senior executives with appropriate short-term and long-term incentives in connection with achieving performance-based goals and/or providing compensation that is linked to the long-term value of the equity of the Company.

The Incentive Compensation Plan achieves this through an annual cash bonus component and an equity incentive component. These two components of the Incentive Compensation Plan are referred to as the Annual Incentive Plan (the "AIP") and the Equity-Based Incentive Plan (the "EIP") and are described in further detail below.

Annual Incentive Plan - The annual incentive plan aims to enhance the link between pay and performance by aligning the financial, strategic and operational interests and motivations of the Company's senior executives with the annual financial, strategic and operational goals and objectives of the Company. It is designed to motivate management to work toward common annual performance objectives while also acknowledging and rewarding individual goal achievement.

The Committee has the discretion under the AIP to determine the appropriate metrics, targets and/or objectives to be achieved.

Equity-Based Incentive Plan - The equity-based incentive compensation plan is designed to recognize and reward the impact of longer-term strategic actions undertaken by the senior executives and align the interests of the Company's senior executives and its shareholders. The program is designed to focus management on successfully implementing the continuing strategic plan of the Company, improve retention of senior executives and attract talented individuals to the Company. In 2011, the Committee formalized an equity-based incentive compensation plan referred to as the Share Unit Plan for Employees of AutoCanada or the "Share Unit Plan". The Share Unit Plan allows for the Committee to grant performance-based share units ("PSUs") or restricted share units ("RSUs") to employees of AutoCanada. RSUs vest over such periods as may be determined by the Committee, with the awards to be paid in cash and/or ACI Shares following vesting. PSUs vest over such periods and are subject to such performance metrics as may be determined by the Committee, with the awards to be paid in cash and/or ACI Shares following vesting. The Company has established a share purchase trust ("Trust") to purchase ACI Shares in the market prior to vesting of RSUs and PSUs in order to reduce the risk of share price appreciation or depreciation between the time of the award of RSUs and PSUs and the time of settlement. Upon vesting, the Company will direct the Trust to settle the applicable RSU or PSU awards in ACI Shares with the executives. RSUs and PSUs are entitled to accumulate dividends until they vest. Additional RSUs and PSUs earned by executives as dividends are awarded based on the amount of dividend per ACI Share multiplied by the number of unvested RSUs and PSUs at the date the dividends are paid.

AutoCanada Stock Option Plan

Effective December 31, 2009, as part of the conversion to a corporation, the Company established the AutoCanada Option Plan under which options ("Options") may be granted to our directors, officers, employees and consultants ("Participants"), in order to provide an opportunity for these individuals to increase their proprietary interest in our long-term success. The following limitations are imposed pursuant to the Option Plan:

- (a) AutoCanada may issue up to and including 10% of its issued and outstanding ACI Shares (on a non-diluted basis) as Options;
- (b) the aggregate number of ACI Shares reserved for issuance to insiders pursuant to Options or other security based compensation arrangements of AutoCanada shall not at any time exceed 10% of the total number of ACI Shares then outstanding;
- (c) ACI Shares issued to insiders of AutoCanada pursuant to Options or any other security based compensation arrangements within a one-year period shall not exceed 10% of the total number of ACI Shares outstanding;
- (d) the aggregate number of ACI Shares reserved for issuance to any one person shall not at any time exceed 5% of the total number of ACI Shares then outstanding; and
- (e) ACI Shares issued to any one insider and such insider's associates pursuant to Options or any other security based compensation arrangements within a one-year period shall not exceed 5% of the total number of ACI Shares outstanding.

The Option Plan is considered an "evergreen" plan, since the ACI Shares covered by options which have been exercised shall be available for subsequent grants under the Plan and the number of options available to grant increases as the number of issued and outstanding ACI Shares increases.

Pursuant to the Option Plan, the Board shall make all necessary or desirable determinations regarding the granting of Options to Participants and may take into consideration the present and potential contributions of a particular Participant to the success of AutoCanada and any other factors which it may deem proper and relevant. The exercise price of each Option is determined by the Board and shall not be lower than the closing price of the ACI Shares on the TSX immediately preceding the date of grant.

Subject to earlier termination as described below, each Option and all rights thereunder granted pursuant to the Option Plan shall expire on the date determined by the Board, provided that the duration of an Option shall not be less than one (1) year or exceed ten (10) years. Unless otherwise specified by the Board, Options will vest as to 1/3 after each of the first, second and third anniversaries of the grant of the Option.

Vested Options may be exercised no later than 120 days following the date a person ceases to be an eligible Participant, unless such person ceases to be an eligible Participant due to termination of employment for cause or due to the breach, expiry or termination of a consulting agreement, in which case no Options may be exercised following the date of termination. If the cessation of office, directorship, employment or consulting arrangement is by reason of death, vested Options may be exercised by the successors of the deceased within a maximum period of 120 days following such death, unless extended by the Board to a maximum of one year in total, subject to the expiry date of such Option. Where the Option expires or is deemed to expire during a black-out period (as determined by the policies of AutoCanada) or within 10 business days from the date that any black-out period ends, the Option shall not be deemed to expire until the day that is 10 business days from the last day of the black-out period. Options are non-transferable except to the extent the rights of an optionee pass to another person upon death by will or pursuant to the laws of descent and distribution. In the event of a “change of control” of AutoCanada, the Board may, in its discretion, permit and authorize the accelerated vesting and early exercise of all or any portion of the then outstanding Options in connection with the completion of such change of control.

The Option Plan provides Participants with a cash surrender right which entitles the Participant, subject to the Company’s discretion, to surrender to the Company unexercised options that are vested and receive payment in cash of an amount equal to the excess of the fair market value of the ACI Shares that may be purchased pursuant to the surrendered Options over the exercise price of the Options.

The Board may in its discretion amend the Option Plan and may amend the terms and conditions of options granted pursuant to the Option Plan, without Shareholder approval. Without limiting the generality of the foregoing, the Board may amend the Option Plan without Shareholder approval if the amendment:

- is for the purpose of curing any ambiguity, error or omission in the Option Plan or to correct or supplement any provision of the Option Plan that is inconsistent with any other provision of the Option Plan;
- is necessary to comply with applicable law or the requirements of any stock exchange on which the ACI Shares are listed;
- is an amendment to the Option Plan respecting administration and eligibility for participation under the Option Plan;
- changes the terms and conditions on which Options may be granted pursuant to the Option Plan including the provisions relating to vesting provisions and the period during which an Option may be exercised;
- changes the termination provisions of an Option or the Option Plan which does not entail an extension beyond the original expiry date;
- is an amendment of the cashless exercise feature, payable in cash or securities which provides for a full deduction of the number of underlying securities from the Option Plan; or
- is an amendment to the Option Plan of a “housekeeping nature”, provided that the amendment does not change the number of ACI Shares issuable under the Option Plan, add any form of financial assistance by the Company, change the class of eligible Participants to the Option Plan, extend the term of Options held by insiders or reduce the exercise price of Options held by insiders. Amendments are subject to any required approval of any regulatory authority or stock exchange

There are currently an aggregate of 27,459,683 ACI Shares outstanding. Therefore, a maximum of 2,745,968 ACI Shares are reserved for issuance under the Option Plan. This number may increase if and as the issued and outstanding ACI Shares increases.

One time grants of Options pursuant to the Option Plan were made in 2018 to Antony, Rawluk, Juneja and Hong. These one-time grants were made in connection with the hiring of these NEOs and were also intended to assist with the retention of these NEOs who are considered key personnel in the implementation of the Company’s strategy. The Company does not have any plans to grant additional Options to any of its NEOs at the current time. See the chart of stock option grants during the preceding three fiscal years for more details.

The following table sets forth the annual burn rate, calculated in accordance with the rules of the TSX, in respect of the Company's equity based compensation plans for each of the three most recently completed financial years:

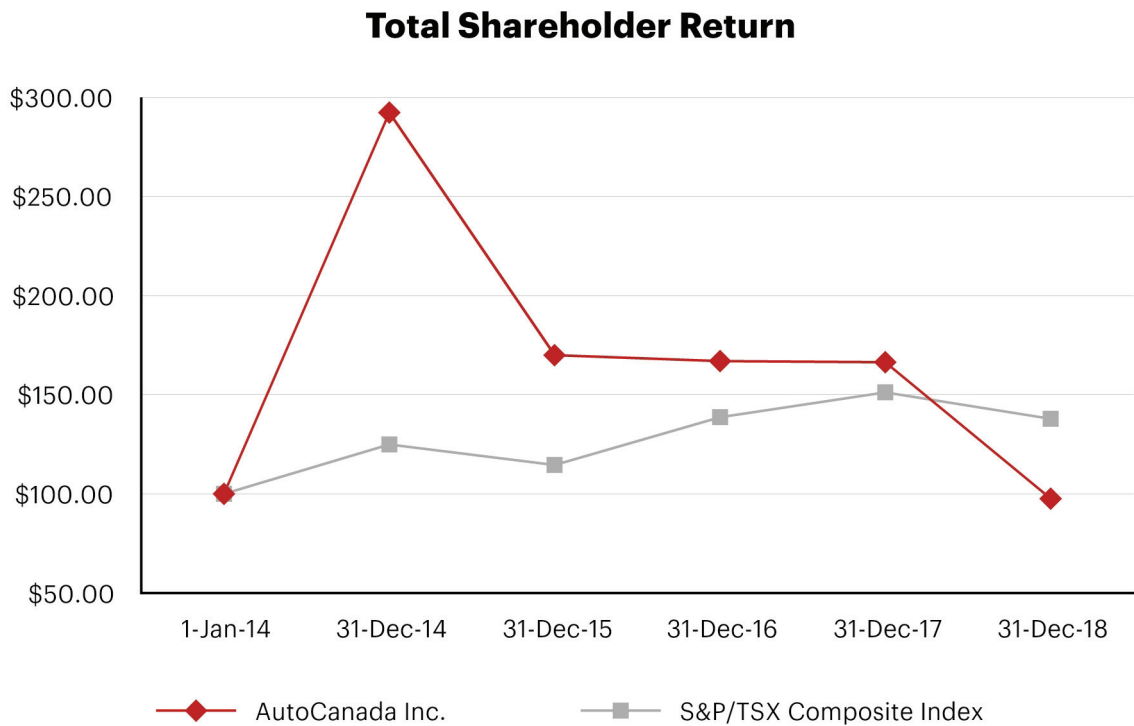
	2018 Burn rate⁽¹⁾	2017 Burn rate⁽¹⁾	2016 Burn rate⁽¹⁾
Stock Option Plan	9.23%	0.00%	1.90%

⁽¹⁾ The annual gross burn rate is calculated as follows and expressed as a percentage:

$$\frac{\text{Number of securities granted under the arrangement during the applicable fiscal year}}{\text{weighted average number of securities outstanding for the applicable fiscal year}}$$

Performance Graph

The Board recognizes that in a cyclical industry such as the retail automotive industry, AutoCanada's focus is on long-term shareholder value growth. The following chart compares the cumulative total shareholder return, including the reinvestment of distributions, from January 1, 2014 to the end of the most recently completed financial year on December 31, 2018 for \$100 invested in ACI Shares with the cumulative total return from the S&P/TSX Composite Index (Total Return).



<i>Performance Graph Values</i>	1-Jan-14	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
AutoCanada Inc.	\$100.00	\$292.35	\$169.96	\$166.92	\$166.41	\$97.53
S&P/TSX Composite Index	\$100.00	\$124.92	\$114.53	\$138.67	\$151.28	\$137.84

<i>Actual Values</i>	1-Jan-14	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
AutoCanada Inc.	\$46.00	\$44.50	\$24.15	\$23.12	\$22.64	\$11.35
S&P/TSX Composite Index	13,621.55	14,632.44	13,009.95	15,287.59	16,209.13	14,322.86

Compensation Table for Named Executive Officers

The table below summarizes the compensation earned in respect of the last three fiscal years by the NEOs.

Name and Principal Position	Year	Base Salary (\$)	Share-Based Awards (\$)	Stock Options ⁽⁸⁾ (\$)	Non-Equity Compensation		All other Comp. (\$)	Total Comp. (\$)
					Annual Incentive Plans (\$)	Long-term Incentive Plans (\$)		
Paul Antony ⁽¹⁾ <i>Executive Chair</i>	2018	157,692	—	2,495,485 ⁽⁹⁾	—	—	160,079 ⁽¹³⁾	2,813,256
	2017	—	—	—	—	—	—	—
	2016	—	—	—	—	—	—	—
Michael Rawluk ⁽²⁾ <i>President</i>	2018	393,462	202,167	1,088,351 ⁽¹⁰⁾	314,769	—	1,007,649 ⁽¹⁴⁾	3,006,398
	2017	—	—	—	—	—	—	—
	2016	—	—	—	—	—	—	—
Raj Juneja ⁽³⁾ <i>Formerly Chief Financial Officer</i>	2018	258,333	131,849	1,484,236 ⁽¹¹⁾	206,667	—	753,342 ⁽¹⁵⁾	2,834,427
	2017	—	—	—	—	—	—	—
	2016	—	—	—	—	—	—	—
Peter Hong ⁽⁴⁾ <i>Chief Strategy Officer & General Counsel</i>	2018	233,333	119,087	1,234,950 ⁽¹²⁾	186,667	—	602,207 ⁽¹⁶⁾	2,376,244
	2017	—	—	—	—	—	—	—
	2016	—	—	—	—	—	—	—
Bill Berman ⁽⁵⁾ <i>Formerly President U.S. Operations</i>	2018	505,593	—	—	272,243	—	2,087,226 ⁽¹⁷⁾	2,865,062
	2017	—	—	—	—	—	—	—
	2016	—	—	—	—	—	—	—
Steven Landry ⁽⁶⁾ <i>Formerly President & Chief Executive Officer</i>	2018	453,256	—	—	—	—	3,352,848 ⁽¹⁸⁾	3,806,104
	2017	675,000	309,069	—	788,562	—	72,979 ⁽¹⁹⁾	1,845,610
	2016	506,250	171,730	2,411,965	318,452	—	1,444,758 ⁽²⁰⁾	4,853,155
Christopher Burrows ⁽⁷⁾ <i>Formerly Senior Vice-President & Chief Financial Officer</i>	2018	244,795	—	—	—	—	2,156,937 ⁽²¹⁾	2,401,732
	2017	337,500	160,258	—	408,884	—	59,429 ⁽²²⁾	966,071
	2016	260,000	96,000	120,592	179,150	—	59,237 ⁽²²⁾	714,979

⁽¹⁾ Paul Antony was appointed Executive Chair effective August 9, 2018.

⁽²⁾ Michael Rawluk was appointed President effective June 27, 2018.

⁽³⁾ Raj Juneja was appointed Chief Financial Officer effective September 1, 2018 and resigned effective March 15, 2019.

⁽⁴⁾ Peter Hong was appointed Chief Strategy Officer & General Counsel effective September 1, 2018.

⁽⁵⁾ Bill Berman was appointed President U.S. Operations effective August 9, 2018 and resigned effective December 31, 2018.

⁽⁶⁾ Steven Landry resigned effective August 9, 2018.

⁽⁷⁾ Christopher Burrows resigned effective August 10, 2018.

⁽⁸⁾ The fair value at grant date is determined using an adjusted form of the Black Scholes Model that takes into account probabilities using the Monte Carlo simulation as well as the exercise price, the expected life of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield of the underlying share, and the risk free interest rate for the term of the option.

⁽⁹⁾ The one-time fair value of 1,000,000 options vesting based on varying service and market price conditions.

⁽¹⁰⁾ The one-time fair value of 430,000 options vesting based on varying service and market price conditions over a three-year period as detailed in the stock option grant chart below.

⁽¹¹⁾ The one-time fair value of 600,000 options vesting based on varying service and market price conditions over a three-year period as detailed in the stock option grant chart below.

⁽¹²⁾ The one-time fair value of 500,000 options vesting based on varying service and market price conditions over a three-year period as detailed in the stock option grant chart below.

⁽¹³⁾ Includes Director fees of \$153,990 earned while Mr. Antony was an independent director for a portion of 2018 and fees paid on account of healthcare plans.

⁽¹⁴⁾ Includes hiring bonus, moving allowance, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.

⁽¹⁵⁾ Includes hiring bonus, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.

⁽¹⁶⁾ Includes hiring bonus, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.

⁽¹⁷⁾ Includes retiring allowance of \$2,087,226.

- ⁽¹⁸⁾ Includes retiring allowance of \$2,517,038, bonus for portion of the year served, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.
- ⁽¹⁹⁾ Includes club membership allowance, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.
- ⁽²⁰⁾ Includes hiring bonus, relocation costs, fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.
- ⁽²¹⁾ Includes retiring allowance of \$1,678,025, bonus for the portion of the year served, club membership allowance, fees paid on account of healthcare plans, and the taxable benefit related to the usage of company vehicles.
- ⁽²²⁾ Includes fees paid on account of healthcare plans and the taxable benefit related to the usage of company vehicles.

The table below summarizes the share-based awards earned in respect of the last three fiscal years by the NEOs.

NEO	Fiscal Year of Award	Grant Date	RSUs Granted (#)	Market Value of AutoCanada Inc. Shares ⁽¹⁾ (\$)	Share-Based Awards (\$)
Paul Antony	2018	N/A	—	—	—
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Michael Rawluk	2018	28-Dec-18	19,533	10.35	202,167
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Raj Juneja	2018	28-Dec-18	12,739	10.35	131,849
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Peter Hong	2018	28-Dec-18	11,506	10.35	119,087
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Bill Berman	2018	N/A	—	—	—
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Steven Landry	2018	N/A	—	—	—
	2017	16-Mar-18	15,108	20.46	309,069
	2016	17-Mar-17	7,221	23.78	171,730
Chris Burrows	2018	N/A	—	—	—
	2017	15-Mar-18	7,834	20.46	160,258
	2016	16-Mar-17	4,037	23.78	96,000

- ⁽¹⁾ Value is calculated based on the average closing trading price of the ACI Shares on the TSX during the immediately preceding seven trading days prior to the Grant Date.

The table below summarizes the stock options granted during the last three fiscal years to the NEOs.

NEO	Fiscal Year Of Award	Grant Date	Stock Options Granted (#)	Fair Value of Stock Option ⁽¹⁾ (\$)	Share-Based Awards (\$)
Paul Antony	2018	14-Aug-18	500,000 ⁽²⁾	2.55	1,276,200
	2018	14-Aug-18	250,000 ⁽³⁾	2.52	629,030
	2018	14-Aug-18	250,000 ⁽⁴⁾	2.36	590,255
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Michael Rawluk ⁽⁸⁾	2018	14-Aug-18	200,000 ⁽⁵⁾	2.55	510,062
	2018	14-Aug-18	230,000 ⁽⁶⁾	2.51	578,289
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Raj Juneja ⁽⁹⁾	2018	14-Aug-18	200,000 ⁽⁵⁾	2.55	510,062
	2018	14-Aug-18	200,000 ⁽⁶⁾	2.51	502,860
	2018	14-Aug-18	200,000 ⁽⁷⁾	2.36	471,314
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Peter Hong	2018	14-Aug-18	150,000 ⁽⁵⁾	2.55	382,547
	2018	14-Aug-18	175,000 ⁽⁶⁾	2.51	440,003
	2018	14-Aug-18	175,000 ⁽⁷⁾	2.36	412,400
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Bill Berman	2018	N/A	—	—	—
	2017	N/A	—	—	—
	2016	N/A	—	—	—
Steven Landry ⁽¹⁰⁾	2018	N/A	—	—	—
	2017	N/A	—	—	—
	2016	1-Apr-16	400,000	6.03	2,411,965
Chris Burrows ⁽¹¹⁾	2018	N/A	—	—	—
	2017	N/A	—	—	—
	2016	1-Apr-16	20,000	6.03	120,592

⁽¹⁾ The fair value at grant date is determined using an adjusted form of the Black Scholes Model that takes into account probabilities using the Monte Carlo simulation as well as the exercise price, the expected life of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield of the underlying share, and the risk free interest rate for the term of the option.

⁽²⁾ Exercise price of \$10.05, with a term of 10 years and vesting on the earlier of (a) the first anniversary of the date of grant or (b) the volume weighted average trading price of ACI Shares on the TSX for 5 trading days equaling or exceeding 1.5x the exercise price.

⁽³⁾ Exercise price of \$10.05, with a term of 10 years and vesting when the volume weighted average trading price of ACI Shares on the TSX for 5 trading days equals or exceeds 1.5x the exercise price.

⁽⁴⁾ Exercise price of \$10.05, with a term of 10 years and vesting when the volume weighted average trading price of ACI Shares on the TSX for 5 trading days equals or exceeds 2x the exercise price.

⁽⁵⁾ Exercise price of \$10.05, with a term of 10 years and vesting on the first anniversary of the date of grant.

⁽⁶⁾ Exercise price of \$10.05, with a term of 10 years and vesting on the later of (a) the second anniversary of the date of grant or (b) the volume weighted average trading price of ACI Shares on the TSX for 5 trading days equaling or exceeding 1.5x the exercise price.

⁽⁷⁾ Exercise price of \$10.05, with a term of 10 years and vesting on the later of (a) the third anniversary of the date of grant or (b) the volume weighted average trading price of ACI Shares on the TSX for 5 trading days equaling or exceeding 2x the exercise price.

⁽⁸⁾ Mr. Rawluk's employment agreement contains a requirement for the Company to grant additional options such that he would hold an aggregate of 800,000 options as and when the Company is able to grant options under the Option Plan. On March 19, 2019, Mr. Rawluk was granted an additional 370,000 options.

⁽⁹⁾ The options held by Mr. Juneja expired on March 15, 2019.

⁽¹⁰⁾ The options held by Mr. Landry expired on March 6, 2019.

⁽¹¹⁾ The options held by Mr. Burrows expired on March 11, 2019.

Incentive Plan Awards

Outstanding Share-Based Awards

The following table sets forth information in respect of all share-based awards outstanding at the end of the financial year ended December 31, 2018 to the NEOs of the Company.

NEO	Number of shares underlying unexercised option (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of share-based awards that have not vested (#)	Market value of share-based awards that have not vested ⁽¹⁾ (\$)	Market value of vested share-based awards not paid out or distributed (\$)
Paul Antony	1,000,000	10.05	August 14, 2028	1,300,000	—	—	Nil
Michael Rawluk	430,000	10.05	August 14, 2028	559,000	19,533	221,700	Nil
Raj Juneja ⁽²⁾	600,000	10.05	August 14, 2028	780,000	12,739	144,588	Nil
Peter Hong	500,000	10.05	August 14, 2028	650,000	11,506	130,593	Nil
Bill Berman	Nil	N/A	N/A	N/A	—	—	Nil
Steven Landry ⁽³⁾	200,000	18.68	March 31, 2026	—	—	—	Nil
Chris Burrows ⁽⁴⁾	13,332	18.68	March 31, 2026	—	—	—	Nil

⁽¹⁾ Market value for RSUs is calculated based on the closing price of the ACI Shares on the TSX on December 31, 2018 of \$11.35 per share.

⁽²⁾ The options held by Mr. Juneja expired on March 15, 2019.

⁽³⁾ The options held by Mr. Landry expired on March 6, 2019.

⁽⁴⁾ The options held by Mr. Burrows expired on March 11, 2019.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during the Company's financial year ended December 31, 2018 in respect of share-based awards and non-equity incentive plan compensation for NEOs of the Company.

NEO	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Paul Antony	Nil	Nil	—
Michael Rawluk	Nil	Nil	314,769
Raj Juneja	Nil	Nil	206,667
Peter Hong	Nil	Nil	186,667
Bill Berman	Nil	Nil	272,243
Steven Landry	Nil	292,119	—
Chris Burrows	Nil	185,133	—

The AIP awards to Messrs. Rawluk, Juneja and Hong for 2018 were based on the assessment by the Committee and the Board of Directors of individual contributions and the achievement of strategic and personal objectives during 2018, rather than any specific financial metrics. The EIP awards, in the form of RSU awards, to Messrs. Rawluk, Juneja and Hong for 2018 were time-based, vesting evenly over three years, in order to facilitate executive retention. The Board of Directors and the Committee determined that such awards were appropriate in light of the fact that such individuals joined as executive officers of the Company during the period from July to August of 2018, following which the efforts of the management team focussed on the development of a new strategy for the Company and the optimization of the Company's operations, through the development and implementation of the Company's go-forward plan. It is anticipated that the AIP for 2019 will be tied to financial metrics.

Termination of Employment, Change in Responsibilities and Employment Contracts

Paul Antony, Executive Chairman. The employment agreement with Mr. Antony is for an indefinite term. The employment agreement provides that in the event we terminate the employment of Mr. Antony without cause, Mr. Antony will be entitled to a lump sum payment equal to two times annual base salary. This payment is not applicable if Mr. Antony is terminated as a result of the President assuming the role of Chief Executive Officer. In the event of termination without cause or resignation for good reason in connection with a change of control of the Company, Mr. Antony will be entitled to a lump sum payment equal to three times during the first year of the term, and two times thereafter, the annual base salary, and the vesting of all stock options and EIP awards will accelerate.

Michael Rawluk, President. The employment agreement with Mr. Rawluk is for an indefinite term. The employment agreement provides that in the event we terminate the employment of Mr. Rawluk without cause, Mr. Rawluk will be entitled to a lump sum payment equal to two times the aggregate of annual base salary plus the AIP target amount and the EIP target amount (being 80% and 40%, respectively, of annual base salary). In the event of termination without cause or resignation for good reason in connection with a change of control of the Company, Mr. Rawluk will be entitled to a lump sum payment equal to three times during the first year of the term, and two times thereafter, the aggregate of annual base salary plus the AIP target amount and the EIP target amount (being 80% and 40%, respectively, of annual base salary), and the vesting of all stock options and EIP awards will accelerate.

Peter Hong, Chief Strategic Officer and General Counsel. The employment agreement with Mr. Hong is for an indefinite term. The employment agreement provides that in the event we terminate the employment of Mr. Hong without cause, Mr. Hong will be entitled to a lump sum payment equal to two times the aggregate of annual base salary plus the AIP target amount and the EIP target amount (being 80% and 40%, respectively, of annual base salary). In the event of termination without cause or resignation for good reason in connection with a change of control of the Company, Mr. Hong will be entitled to a lump sum payment equal to three times during the first year of the term, and two times thereafter, the aggregate of annual base salary plus the AIP target amount and the EIP target amount (being 80% and 40%, respectively, of annual base salary), and the vesting of all stock options and EIP awards will accelerate.

The following table summarizes the payments that would be received by each NEO in each circumstance where the NEO ceases to be employed by AutoCanada on December 31, 2018. The amounts shown in the table are calculated based on positions held, and the terms applicable, as at December 31, 2018.

Name	Termination for Cause (\$)	Termination Other than for Cause (\$)	Change of Control (\$)	Retirement or Disability (\$)	Resignation (\$)	Death (\$)
Paul Antony						
Lump-sum Payment	—	800,000	1,200,000 ⁽³⁾	—	—	—
Accelerated RSU Vesting ⁽¹⁾	—	—	—	—	—	—
Stock options ⁽²⁾	—	—	999,999	—	—	—
Total	—	800,000	2,199,999	—	—	—
Michael Rawluk						
Lump-sum Payment	—	2,213,387	3,320,081 ⁽³⁾	—	—	—
Accelerated RSU Vesting ⁽¹⁾	—	221,700	221,700	—	—	221,700
Stock options ⁽²⁾	—	—	559,000	—	—	—
Total	—	2,435,087	4,100,781	—	—	221,700
Peter Hong						
Lump-sum Payment	—	1,792,597	2,688,896 ⁽³⁾	—	—	—
Accelerated RSU Vesting ⁽¹⁾	—	130,593	130,593	—	—	130,593
Stock options ⁽²⁾	—	—	650,000	—	—	—
Total	—	1,923,190	3,469,489	—	—	130,593

⁽¹⁾ The RSU Plan provides that any unvested awards will have a six month vesting window upon a without cause termination. Upon death, all unvested awards will immediately vest. Upon a change of control, all unvested RSUs will accelerate.

⁽²⁾ The Stock Option Plan provides that a participant shall have 120 days to exercise any vested options in the case of without cause termination, retirement, resignation or death or disability. The employment agreements for Messrs. Antony, Rawluk and Hong provide that all unvested options will accelerate in the event of a change in control. The above amounts are calculated based on the closing price of ACI Shares on December 31, 2018 of \$11.35 and assumes that all vested options will be exercised.

⁽³⁾ The employment agreements for Messrs. Antony, Rawluk and Hong provide that after the first year of their employment, the lump sum payments on change of control will be reduced to two times annual base salary plus the AIP target amount and the EIP target amount (being 80% and 40%, respectively, of annual base salary).

Except as described above, there is no compensatory plan, contract or arrangement where a NEO is entitled to receive any payment from us or our subsidiaries, including periodic payments or instalments, in the event of the resignation, retirement or any other termination of the NEO's employment, a change of control of us or any of our subsidiaries or a change in the NEO's responsibilities following a change in control.

Compensation of Directors

The following table sets forth the compensation paid to Directors for the year ended December 31, 2018:

Position/Description	Compensation per Director	Frequency
Board Director	\$100,000	per year
Board Chair ⁽²⁾	\$200,000	per year ⁽¹⁾
Lead Director	\$30,000	per year
Committee Chair	\$20,000	per year
Meeting attended in person	\$2,000	per meeting
Meeting attended by telephone if less than 4 hours	\$500	per meeting
Meeting attended by telephone if more than 4 hours	\$1,000	per meeting
Out of province travel stipend	\$1,500	per occurrence

⁽¹⁾ All-in amount with no additional compensation under the other categories.

⁽²⁾ The compensation for the Board Chair applied to Gordon Barefoot during his tenure as Board Chair during 2018. This compensation does not apply to the Executive Chair.

We reimburse Directors for out of pocket expenses for attending meetings. Directors also participate in our insurance and indemnification arrangements. No Director compensation is paid to Directors who are members of management of the Company. If deemed appropriate by the Directors, special committees of the Directors may be established for certain purposes, the compensation of the members thereof to be at the discretion of the Board. Each Director is an eligible participant in the Option Plan and may be awarded options as further compensation.

In 2012, the Board of Directors approved the Deferred Share Unit Plan ("DSU Plan") for eligible Directors. The DSU Plan allows the eligible Directors to elect to receive up to 100% of total Directors' compensation, excluding the Deferred Share Unit Retainer ("DSU Retainer"), in the form of Deferred Share Units ("DSUs"). The DSU Retainer was approved by the Board of Directors in 2012, and is included in the compensation noted above, to each eligible Director, which must be fully paid in the form of DSUs. The amount of the DSU Retainer is \$40,000 per eligible Director per year. The purpose of the DSU Plan and the DSU Retainer is to provide eligible Directors with the opportunity to participate in the long-term success of AutoCanada and to promote a greater financial interest of Directors in the Company.

The following table sets forth all compensation paid for the most recently completed financial year of the Company to each of the Directors, other than Directors who are classified as NEO's in the "Compensation Discussion and Analysis" section, in their capacities as Directors.

Name	Cash Fees earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	All other compensation	Total Compensation
Maryann Keller	— \$	127,000	—	—	— \$	127,000
Barry James	\$ 109,500	\$ 40,000	—	—	— \$	149,500
Dennis DesRosiers	\$ 82,500	\$ 40,000	—	—	— \$	122,500
Stephen Green ⁽¹⁾	— \$	49,902	—	—	— \$	49,902
Elias Olmeta ⁽¹⁾	\$ —	\$ 49,902	—	—	— \$	49,902
Gordon Barefoot ⁽²⁾	\$ 97,391	\$ 24,348	—	—	— \$	121,739
Michael Ross ⁽³⁾	\$ 52,802	\$ 18,901	—	—	— \$	71,703
Arlene Dickinson ⁽⁴⁾	\$ 38,000	\$ 20,000	—	—	— \$	58,000

⁽¹⁾ Stephen Green and Elias Olmeta were appointed to the Board of Directors on August 9, 2018.

⁽²⁾ Gordon Barefoot resigned from the Board of Directors on August 9, 2018.

⁽³⁾ Michael Ross resigned from the Board of Directors on June 20, 2018.

⁽⁴⁾ Arlene Dickinson resigned from the Board of Directors on June 30, 2018.

The aggregate amount earned by the Directors as compensation, other than Directors who are classified as NEO's in the "Compensation Discussion and Analysis" section, in their capacity as such, during the financial year ended December 31, 2018 was \$750,246. The aggregate amount we reimbursed the Directors for out of pocket expenses incurred to attend meetings during the financial year ended December 31, 2018 was \$18,605.

Incentive Plan Awards

Outstanding Share-Based Awards

The following table sets forth information in respect of all share-based awards outstanding at the end of the financial year ended December 31, 2018 to the Directors of the Company, other than Directors who are NEOs.

Name	Number of share based awards that have not vested	Market value of share-based awards that have not vested	Market value of vested share-based awards not paid out or distributed
Maryann Keller	22,529	255,704	Nil
Barry James	7,431	84,342	Nil
Dennis DesRosiers	15,857	179,977	Nil
Stephen Green	4,348	49,350	Nil
Elias Olmeta	4,348	49,350	Nil

⁽¹⁾ Value is calculated based on the closing price of the ACI Shares on the TSX on December 31, 2018 of \$11.35 per share.

Incentive Plan Awards – Value Vested or Earned During the Year

There were no Incentive Plan Awards that vested or were earned during the Company's financial year ended December 31, 2018 in respect of share-based awards and non-equity incentive plan compensation for the Directors of the Company, other than Directors who are NEOs.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides details on securities authorized for issuance under the Company's equity compensation plans as at December 31, 2018:

Plan Category	Securities to be issued upon exercise of outstanding options, warrants and rights		Weighted average exercise price of outstanding options, warrants and rights	Securities remaining available for future issuance under equity compensation plans		Aggregate to be issued upon exercise plus available for issuance	
	#	% of outstanding ACI shares		#	% of outstanding ACI shares	#	% of outstanding ACI shares
Equity compensation plans approved by securityholders (being the Option Plan)	2,743,222	9.99%	\$10.72	2,746	0.01%	2,745,968	10.0%
Equity compensation plans not approved by security holders	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	2,743,222	9.99%	\$10.72	2,746	0.01%	2,745,968	10.0%

See "Compensation Discussion and Analysis – AutoCanada Stock Option Plan" section for a description of the material features of the Plan.

Indebtedness of Directors and Executive Officers

No individual who is, or at any time during our most recently completed financial year was, a Director or executive officer, as applicable, of us, no proposed nominee for election as a Director of us, and no associate of any such Director, executive officer or proposed Director is, or at any time during our most recently completed financial year was, indebted to (i) us or any of our subsidiaries, or (ii) another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us or any of our subsidiaries, other than routine indebtedness.

Interest of Informed Persons in Material Transactions

No informed person of the Company, nor any proposed Director, nor any associate or affiliate of any informed person or proposed Director, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction which has materially affected or would materially affect us or any of our subsidiaries.

Interest of Certain Persons or Companies in Matters to be Acted Upon

To the knowledge of the management of the Company, other than as set forth elsewhere in this Information Circular, no person who has been a Director or executive officer of the Company at any time since the beginning of our last financial year, nor any proposed nominee for election as a Director, nor any associate or affiliate of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of Directors.

Statement of Corporate Governance

A discussion of our governance system within the context of National Instrument 58-101 - *Disclosure of Corporate Governance Practices* is attached to this Information Circular as Appendix "A".

Audit Committee

For information about the Audit Committee, including a copy of the Audit Committee Charter, see "Audit Committee Information" in the Company's Annual Information Form for the year ended December 31, 2018 which can be found at www.sedar.com.

Other Business

As at the date hereof, the Directors are not aware of any matter intended to come before the Meeting other than those items of business set forth in the attached Notice of Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named in the Instrument of Proxy to vote in respect of those matters in accordance with their judgment.

Additional Information

Additional information relating to the Company can be found at www.sedar.com or our website at www.autocan.ca. Additional financial information is contained in the Company's audited consolidated financial statements for the years ended December 31, 2018 and 2017, and the Company's annual management's discussion and analysis of financial condition and results of operations for fiscal 2018.

Copies of the Annual Information Form, the Company's Annual Report (including management's discussion and analysis and consolidated financial statements) and this Information Circular may be obtained by request to AutoCanada Inc., #200, 15511 – 123 Avenue NW, Edmonton, Alberta, T5V 0C3, Attention: Chief Financial Officer.

BOARD OF DIRECTORS APPROVAL

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

DATED at Edmonton, Alberta this 28th day of March, 2019.

APPENDIX A – Statement of Corporate Governance Practices

The Board considers good governance to be central to AutoCanada and our subsidiaries' effective and efficient operation and we are committed to reviewing and adapting our governance practices so that they meet AutoCanada, and our subsidiaries', changing needs and to ensure compliance with regulatory requirements.

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT	OUR CORPORATE GOVERNANCE PRACTICES																
1. Board of Directors																	
(a) Disclose the identity of Directors who are independent.	Dennis DesRosiers, Barry James, Maryann Keller, Stephen Green and Elias Olmeta are all independent Directors of AutoCanada based on the definition of independence in <i>Multilateral Instrument 52-110 – Audit Committees</i> .																
(b) Disclose the identity of Directors who are not independent, and describe the basis for that determination.	The Board has determined that Paul Antony and Michael Rawluk are not independent, as independence is defined in <i>Multilateral Instrument 52-110 – Audit Committees</i> , as they are officers of AutoCanada Inc.																
(c) Disclose whether or not a majority of Directors are independent. If a majority of Directors are not independent, describe what the Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.	A majority of the Directors are independent.																
(d) If a Director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Director and the other issuer.	Directors who are presently a director of another reporting issuer are as follows:																
	<table> <tr> <th>Director</th><th>Name of Reporting Issuer</th></tr> <tr> <td>Paul Antony</td><td>none</td></tr> <tr> <td>Dennis DesRosiers</td><td>none</td></tr> <tr> <td>Barry James</td><td>Corus Entertainment</td></tr> <tr> <td>Maryann Keller</td><td>none</td></tr> <tr> <td>Stephen Green</td><td>none</td></tr> <tr> <td>Elias Olmeta</td><td>none</td></tr> <tr> <td>Michael Rawluk</td><td>none</td></tr> </table>	Director	Name of Reporting Issuer	Paul Antony	none	Dennis DesRosiers	none	Barry James	Corus Entertainment	Maryann Keller	none	Stephen Green	none	Elias Olmeta	none	Michael Rawluk	none
Director	Name of Reporting Issuer																
Paul Antony	none																
Dennis DesRosiers	none																
Barry James	Corus Entertainment																
Maryann Keller	none																
Stephen Green	none																
Elias Olmeta	none																
Michael Rawluk	none																
(e) Disclose whether or not the independent Directors hold regularly scheduled meetings at which non-independent Directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	Mr. Antony and Mr. Rawluk, who are members of management and are non-independent directors, are excluded from a portion of each regularly scheduled meeting of the Board. The Board held four regularly scheduled meetings in 2018.																

- (f) Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.

Paul Antony is the Executive Chair of AutoCanada and is not independent. Accordingly, Maryann Keller, who is independent, is the Lead Director of the Board of Directors. The Lead Director's roles and responsibilities are outlined in our Terms of Reference for the Lead Director.

- (g) Disclose the attendance record of each Director for all board meetings held since the beginning of the issuer's most recently completed financial year.

The Directors held 21 meetings in 2018. Meeting attendance is disclosed for each Director under the "Election of Directors" section.

2. Board Mandate

Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

The text of the mandate of the Board of Directors of AutoCanada (entitled "Mandate for the Board of Directors of AutoCanada"), is attached to this Information Circular as Appendix "B".

3. Position Descriptions

- (a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.

A written position description is included in the applicable Terms of Reference for the Lead Director of the Board of AutoCanada.

No written position descriptions for chairs of our committees have been developed; however each such chair is aware that they are obliged to conduct the affairs of the Board or the committee, as the case may be, so as to meet their respective obligations pursuant to each of their separate mandates or charters.

- (b) Disclose whether or not the Board and Chief Executive Officer have developed a written position description for the Chief Executive Officer. If the Board and Chief Executive Officer have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the Chief Executive Officer.

The Board is developing terms of reference for the Executive Chair and the President, which will include a written position description for the Executive Chair and the President.

4. Orientation and Continuing Education

- (a) Briefly describe what measures the Board takes to orient new directors regarding

- (i) the role of the Board, its committees and its directors, and

The Board has adopted a Directors Information Manual which contains, among other things, the mandates of the Board and committee charters for each of the committees of the Board. This manual has been reviewed by the directors, and a copy of the manual has been provided to each of the directors. New Board directors also attend a Board orientation session and an existing Board member will assist with the orientation process as an assigned first point of contact.

- (ii) the nature and operation of the issuer's business.

The Executive Chair and the President review with the Board at each meeting the nature and operations of our business. The Board meets with other members of our senior management periodically to review each of their specific operations.

- (b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

Members of the Board are encouraged to participate in seminars and other continuing education programs for directors. The auditors periodically review at meetings of the audit committee the current and emerging standards for corporate accounting, and when required the Board meets with our independent counsel to review the governance practices of the directors and the obligations of the Board.

5. Ethical Business Conduct

- (a) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:

We have adopted a written code of ethical business conduct applicable to our directors, officers and employees, including the officers and employees of our related dealerships.

- (i) disclose how a person or company may obtain a copy of the code;

The code is available at the Canadian Securities Administrator's System for Electronic Dissemination and Retrieval (SEDAR) at www.sedar.com and on our website at www.autocan.ca. It is entitled Code of Conduct, AutoCanada Inc.

- (ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and

A copy of the code of conduct is provided to each of our directors, officers and employees, including the officers and employees of our related dealerships, and each is requested to certify that he/she has read the code. A copy of the code is provided to each new director, officer or employee, including the new officers and employees of our related dealerships.

- (iii) provide a cross-reference to any material change report(s) filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

No material change reports have been filed by us since the beginning of our most recently completed financial year that pertains to the conduct of a director or executive officer that constitutes a departure from the code.

- (b) Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

A director is required to disclose to the Board information regarding any transaction or agreement in respect of which a director or executive officer has a material interest and to abstain from voting on any matter in respect of such transaction or agreement in which the director has an interest. The Board may request the director to recuse himself from the portion of any meeting at which such transaction or agreement is discussed.

All non-management directors are subject to the Company's policy with respect to non-management director's interests in auto dealerships, whereby non-management directors shall not invest directly or indirectly in any automotive dealership enterprise without prior express approval of the Board. Any conflicts are declared prior to all meetings as they relate to the topics of discussion of the meeting.

- (c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

The Board encourages and promotes a culture of ethical business conduct by requiring the Chief Executive Officer to conduct himself in a manner that exemplifies ethical business conduct.

In addition, our directors, officers and employees, including the officers and employees of our related dealerships are required to certify that they have read the code of conduct.

The members of our committees are entitled to engage an outside advisor at our expense in appropriate circumstances.

6. Nomination of Directors

- (a) Describe the process by which the Board identifies new candidates for Board nomination.

The Governance and Compensation Committee of AutoCanada surveys existing directors regarding new candidates as part of an annual assessment of the constitution of the Board. The Chair of the Governance and Compensation Committee meets with candidates in person or by phone and management meets in person with the candidates. Candidates are evaluated by the Governance and Compensation Committee and management based on the perceived needs of the current Board members. A skills matrix is utilized to ensure potential candidates complement the current Directors' skill sets.

- (b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.
- (c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

The Governance and Compensation Committee is composed of three independent directors.

The charter of the Governance and Compensation Committee delineates the responsibilities, powers and operation of the committee when discharging its duties as a nominating committee. The committee meets regularly.

7. Director Term Limits

- (a) Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

The Company does not have a policy that limits the term of the directors on its board and has not provided other mechanisms of board renewal. The Board has determined that the term limit of the director's mandate or the mandatory retirement age is not essential. The Board is of the opinion however that the directors must understand the business in which the Company operates and that a balance between long-term directors with in-depth knowledge of the Company and new directors who bring a different experience and new ideas is paramount.

8. Policies Regarding the Representation of Women on the Board

- (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

The Company has adopted a written diversity policy (the "Diversity Policy") relating to the identification and nomination of female directors and executive officers among other things.

(b) Disclose the following in respect of the Diversity Policy: a) short summary of its objectives and key provisions, b) the measures taken to ensure that the policy has been effectively implemented, iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and iv) whether and, if so, how the Board or its committees measure the effectiveness of the Diversity Policy.

(c) Disclosure whether or not the Board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election.

9. Policies Regarding the Representation of Women in Executive Officer Appointments

(a) Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

The Diversity Policy aims to ensure there are a broad range of approaches, backgrounds, skills and experience represented on the Board to make appointments on merit and against objective criteria, including but not limited to, gender diversity. Board and committee members engaged in nominations are to conduct searches for potential board nominees so as to put forward a diverse range of candidates, including women candidates. Given the infrequent turnover of directors the Board has not set specific targets as to the number of women board members it will maintain, however the Board has made a commitment to the recruitment of women by making the identification of women candidates as a key search criterion. The Diversity Policy was adopted on March 19, 2015 and two women Directors have since joined the Board (one in 2015 and one in 2017). The Board currently has one woman director. The Governance and Compensation Committee may be required to annually report on and evaluate the effectiveness of the Diversity Policy in the boardroom and at the executive level.

Board and committee members are to conduct searches for potential board nominees so as to put forward candidates with a broad range of approaches, backgrounds, skills and experience and to make nominations based on merit and against objective criteria. Gender diversity is one of many criteria that is considered, however, a candidate's skills and experience will be the primary search criteria.

The Company plans to identify candidates for executive positions with a broad range of skills and experience and to make nominations based on merit and against objective criteria. Gender diversity is one of many criteria that is considered, however, a candidate's skills and experience will be the primary search criteria.

10.	Targets Regarding the Representation of Women on the Board and in Executive Officer Positions	<p>Given the irregular turnover of directors the Board has not set specific targets as to the number of women board members it will maintain. The Company believes that the Board needs to be able to assess a potential nominee's qualities and competencies as a whole instead of emphasizing on gender, which also prevents situations where an individual could be perceived as not having been nominated solely on the basis of such individual's merits. The Company has not adopted a specific target regarding the representation of women in executive officer positions of the Company. The Company believes that recruiting for executive level positions should involve an assessment of a candidate's qualities and competencies as a whole instead of emphasizing on gender, which also prevents situations where an individual could be perceived as not having been nominated solely on the basis of such individual's merits.</p>
(a)	Disclose whether the issuer has adopted a target regarding women on the issuer's Board and in Executive Officer Appointments. If the issuer has not adopted a target, disclose why it has not done so.	
11.	Number of Women on the Board and in Executive Officer Positions	<p>The Company currently has one female director, Maryann Keller, which represents 14% of total directors and 20% of independent directors.</p> <p>The Company currently has one executive officer that is a woman.</p>
(a)	Disclose the number and proportion (in percentage terms) of directors on the issuer's Board who are women.	
(b)	Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.	
12.	Compensation	<p>The Board determined the compensation for the directors with reference to market rates for such services. The charter of the Governance and Compensation Committee includes responsibility to review and recommend adjustments for compensation to directors as warranted in the future. Compensation for the executive officers of AutoCanada is to be approved by the Board, taking into consideration any recommendations by the Governance and Compensation Committee.</p>
(a)	Describe the process by which the Board determines the compensation for the issuer's directors and officers.	

- (b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.
- (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

The Governance and Compensation Committee of the Board is composed entirely of independent directors.

The charter of the Governance and Compensation Committee of the Board delineates the responsibilities, powers and operation of the committee when discharging its duties as a compensation committee, and the committee has followed this charter in discharging its responsibilities, powers and operations. The committee meets regularly.

13. Other Board Committees

If the Board has standing committees other than the audit, governance and compensation and nominating committees, identify the committees and describe their function.

AutoCanada has a disclosure committee, comprised of the President, the Chief Financial Officer and the General Counsel. The function of the disclosure committee is to ensure that all written and oral communications to the public or to regulators are timely and accurate and to assist AutoCanada with its disclosure controls and procedures.

14. Assessments

Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.

Each individual director provides an annual self-assessment to the Chair of the Governance and Compensation Committee. The Chair then reviews the assessments and provides to each individual specific recommendation for improvement. Implementation of such recommendations is overseen by the Chair.

APPENDIX B – Mandate for the Board of Directors of AutoCanada Inc.

The board of directors (“**Board**”) of AutoCanada Inc. (the “**Company**”) is elected by the shareholders and is responsible for the stewardship of the affairs of the Company. The Board seeks to discharge such responsibility by reviewing and discussing the strategies and plans of management (“**Management**”) of the Company and its subsidiaries, supervising Management and monitoring the performance of the Company.

The Board is responsible for establishing and maintaining a culture of integrity in the conduct of the affairs of the Company. The Board seeks to discharge this responsibility by satisfying itself as to the integrity of the senior management of the Company, and by overseeing and monitoring Management to ensure a culture of integrity is maintained.

Although directors may be nominated or elected by shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company and its shareholders must be paramount at all times.

DUTIES OF DIRECTORS

The Board discharges its responsibilities directly and through its committees, the Audit Committee and the Governance and Compensation Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. In addition to the Board’s primary role of overseeing the affairs of the Company, principal duties include, but are not limited to the following categories:

Oversight Responsibility

1. The Board has the responsibility for approving the appointment of the officers of the Company (collectively, the “**Officers**”), and approving the compensation of the Officers of the Company following a review of the recommendations of the Governance and Compensation Committee.
2. The Board has delegated authority to the highest ranking Officer of the Company for the overall management and operations of the Company, to ensure the long term success of the Company. The highest ranking Officer of the Company will work in conjunction with the Lead Director, as applicable, on strategy related issues to ensure the long term success of the Company. This delegation is subject to the General Authority Guidelines in Schedule "A" that require either prior authorization by the Board or periodic review by the Board in respect of specified matters.
3. The Board may from time to time delegate authority to the Officers, subject to specified limits. Matters that are outside the scope of the authority delegated to the Officers and material transactions are reviewed by and subject to the prior approval of the Board.

Monitoring of Financial Performance and Other Financial Reporting Matters

4. The Board has oversight responsibility for reviewing and questioning the strategies and plans of the Company.
5. The Board has oversight responsibility for reviewing systems for managing the principal risks of the Company's business including insurance coverage, conduct of material litigation and the effectiveness of internal controls.
6. The Board is responsible for considering appropriate measures it may take if the performance of the Company falls short of their goals or other special circumstances warrant.
7. On the recommendation of the Audit Committee, the Board shall be responsible for approving the unaudited and audited financial statements and the notes of the Company, and the release thereof by the Company.
8. The Board is responsible for reviewing and approving material transactions involving the Company, including the payment of dividends, acquisitions and dispositions of material assets by the Company and material expenditures by the Company.
9. The Board is responsible for reviewing and directing how the Company will exercise its voting and managerial rights in respect of matters relating to the Company.
10. The Board has responsibility for effectively monitoring the principal risks of the Company.

Board Organization

11. The Board will respond to recommendations received from its committees but retains the responsibility for managing its own affairs by giving approval for its composition, the selection of the Chair of the Board, Lead Director, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation.
12. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and Management, the approval of interim financial results, the conduct of performance evaluations and oversight of internal control systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Policies and Procedures

13. The Board is responsible for:
 - a. approving and monitoring compliance with all significant policies and procedures by which the Company is operated;
 - b. approving policies and procedures designed to ensure that the Company operates at all times in compliance with applicable laws and regulations and to the highest ethical and moral standards; and
 - c. re-enforcing obligations of the directors respecting confidential treatment of the Company's proprietary information and Board deliberations.
14. The Board has approved a Disclosure Policy respecting communications to the public.

Communications and Reporting

15. The Board is responsible for:
 - a. overseeing the accurate reporting of the financial performance of the Company to its shareholders, on a timely and regular basis;
 - b. overseeing that the financial results of the Company are reported fairly and in accordance with generally accepted accounting standards;
 - c. ensuring the integrity of the internal control and management information systems of the Company; and
 - d. taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Company and comply with its timely disclosure obligations.

SCHEDULE A to APPENDIX B

(MANDATE FOR THE BOARD OF DIRECTORS OF AUTOCANADA INC.)

AUTOCANADA INC. GENERAL AUTHORITY GUIDELINE

AUTHORITY OF THE MANAGEMENT

The highest ranking Officer, being either an Executive Chairman or a Chief Executive Officer, is responsible for overall management and operations of the Company. The highest ranking Officer will work in conjunction with the Chairman or Lead Director, as applicable, on strategy related issues to ensure the long term success of the Company.

This responsibility is subject to the provisions of applicable law, the articles and by-laws of the Company and any particular direction or resolution of the Board of Directors, except for the following matters that require the specific authorization of the Board or a Board committee. In addition, certain matters identified below will be subject to periodic review by the Board or a Board committee.

The delegation contemplated by these guidelines shall include the authority to establish areas of responsibility and limits of authority for members of management of the Company and its subsidiaries.

MATTERS REQUIRING DIRECTORS OR COMMITTEE OF DIRECTORS APPROVAL OR REVIEW

I. Organizational Changes and Policy

1. Subject to the discretionary limits set out in paragraphs 6, 7 and 8, approve major changes to the organization of the Company, or their respective subsidiaries, such as the creation or divestiture of investments or acquisitions.
2. Approve the adoption of or changes to Company policies with application to the conduct of directors, including the Disclosure Policy of the Company.
3. Review of adherence to the policies of the Company.
4. Approve any proposed changes to the Company's articles or by-laws.

II. Budgets, Plans and Commitments

5. Review and approve the annual budget of the Company.
6. Approve any capital commitments in any year not contained in the approved budget of the Company over \$300,000 in aggregate.
7. Approve any single capital commitment for an acquisition or acquisitions exceeding \$2,000,000 (inclusive of related store development costs), in aggregate.
8. Approve any single divestiture of more than \$2,000,000.
9. Approve long range business planning in accordance with the policies of the Company.
10. Approve major agreements or long-term leases outside the ordinary course of business of the Company, including, without limitation, approving all related party agreements and/or related party leases.

III. Financial and Corporate

11. Approve the annual audited financial statements of the Company.
12. Approve the interim financial statements of the Company.
13. Approve the dividend policy of the Company, including approving declaration of dividends.
14. Approve changes in authorized capital, issuance or repurchase of shares, debt securities and related prospectuses, offering memoranda or trust indentures, if any.
15. Generally review operating and financial performance relative to budgets and objectives.
16. Review significant changes in accounting practices or policies.
17. Approve all borrowing, hedging, credit agreements, amendments to credit agreements, and the granting of guarantees and/or letters of credit outside the ordinary course of business or pursuant to related party agreements and/or leases.

18. Review significant changes in accounting practices or policies.

IV. External Auditors of the Company

19. Approve appointment of external auditors, establishment of their fees and annual audit plan.
20. Review independence of external auditors.
21. Review findings of external audit review and Management's response.
22. Review the Company's risk management and insurance coverage.
23. Review the Company's conduct of litigation that could materially affect the financial condition of the Company.
24. Review the findings of internal audit and the effectiveness of internal control procedures.

V. Management and Human Resources

25. Approve appointment or removal of the Executive Chairman, Chief Executive Officer, President or the Chief Financial Officer ("**Senior Executives**");
26. Confirm appointments of other officers.
27. Evaluate performance of the Senior Executives.
28. Approve compensation for the Executive Chairman or Chief Executive Officer and review recommendations with respect to compensation of other Senior Executives.
29. Approve contracts with Senior Executives including special termination provisions or payments.
30. Approve adoption of share purchase or other share-based compensation arrangements, if any.
31. Approve short-term and long-term incentive plan criteria, targets and awards, if any, in so far as such plans are a direct activity of the Company.
32. Review Senior Executive succession plans.



AutoCanada Inc.

200 - 15511 123 Avenue NW
Edmonton, AB • T5V 0C3
www.autocan.ca