FAX CAPITAL CORP.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2019

March 26, 2020

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Certain References

Except as otherwise noted, all information contained in this annual information form is at, or for, the fiscal year ended, December 31, 2019.

Certain capitalized terms and phrases used in this annual information form are defined in the "*Glossary*".

All references to "dollars" or "$" are to Canadian currency, unless noted otherwise.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

Forward-Looking Statements

Certain statements contained in this annual information form constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements may relate to the Company's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividends, plans and objectives of the Company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the Company are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on the opinions and estimates of the Company as of the date of this annual information form, and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors described in greater detail in "*Risk Factors*": limited operating history or revenue; shareholders are not entitled to vote on the Company's proposed investments; long-term nature of investment; potential lack of investment diversification; financial market fluctuations and deterioration of political conditions; failure to execute the Company's investment strategies; pace of completing investments; control or significant influence risk; minority investments; ranking of Company investments and structural subordination; follow-on investments; prepayments of debt investments; risks upon disposition of investments; bridge financings; key employees; reliance on the performance of underlying assets; operating and financial risks of investments; valuation methodologies involve subjective judgments; legal proceedings; reputation; foreign security risk; foreign exchange risk; unknown merits and risks of future investments; investments in private issuers; opinions from independent investment banks or accounting firms are not contemplated; resources could be wasted in researching investment opportunities that are not ultimately completed; material, non-public information; illiquid assets; competitive market for investment opportunities; competition and technology risks; use of leverage; investing in leveraged businesses; credit risk; tax risk; regulatory changes; significant shareholder; conflicts of interest and overlap with Federated Capital; use of the Custodian to hold assets; potential volatility of Subordinate Voting Share and Founder Warrant price; dilution; market discount; limited control and voting power; the Founder Warrants may not be "in the money"; financial reporting and other public company requirements; broad discretion over the use of the Net Proceeds of the Offerings; the Company is not subject to the SPAC rules of the TSX and significant ownership by FII may adversely affect the market price of the Subordinate Voting Shares. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws. New factors emerge from time to time, and it is not possible for the Company to predict all of these factors or to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

CORPORATE STRUCTURE

FAX Capital Corp. is an investment holding company governed by the CBCA. The Company's head and registered office is located at 100 Wellington Street West, Suite 2110, Toronto, Ontario, M5K 1H1. The Company is a reporting issuer in all provinces and territories of Canada.

The Company was originally incorporated on December 21, 1923, in the Province of Ontario pursuant to the *Business Corporations Act* (Ontario) under the name "Keeley Extension Mines, Limited". On May 24, 1974, the Company filed Articles of Amendment to change its name to "Grandad Gold Mines Ltd.". On March 1, 1978, the Company was continued federally under the provisions of the CBCA under the name "Grandad Resources Limited". On July 19, 1988, the Company filed Articles of Amendment to change its name to "Great Grandad Resources Limited". On July 4, 2007, the Company filed Articles of Amendment to change its name to "GGD Resources Inc.". On June 12, 2009, the Company filed Articles of Amendment to change its name to "God's Lake Resources Inc.". On June 20, 2018, the Company announced its intention to proceed with a change of business from a mineral resource exploration company, which it had been since the Company's incorporation in 1923, to an investment holding company (the "**Change of Business**").

In connection with the Change of Business, the Company filed Articles of Amendment on December 17, 2018 to:

- change its name to "FAX Capital Corp.";
- create a new class of convertible shares of the Company classified as "multiple voting shares" of the Company in an unlimited number and to re-classify its common shares into "subordinate voting shares" of the Company; and
- increase the maximum number of directors on the Company's Board from five to 11 and to allow the directors, between annual meetings, to appoint one or more additional directors to serve until the next annual meeting; provided, however, that the number of such additional directors shall not exceed one-third (1/3) of the number of directors who held office at the termination of the last annual meeting.

In addition, the Company filed Articles of Amendment on December 17, 2018 to consolidate the Subordinate Voting Shares and Multiple Voting Shares on the basis of three and seven tenths (3.7) pre-consolidation shares for one post-consolidation share with the rounding up of each fractional share.

In connection with the closing of the Offering and the Substantial Equity Investment (as further described below):

- By-Law No. 2019-3 of the Company was amended and restated effective November 21, 2019. By-Law No. 2019-3 sets out, among other things, the business objective of the Company, the Investment Concentration Restriction, the Minimum Investment Restriction and the requirement to appoint a custodian to hold the assets of the Company. See "*Description of the Business* –

Investment Restrictions". The full text of Amended and Restated By-Law No. 2019-3 is available on SEDAR at www.sedar.com.

- The Company filed Articles of Amendment on November 20, 2019 to further consolidate the Subordinate Voting Shares and Multiple Voting Shares, on the basis of one post-consolidation Subordinate Voting Share or Multiple Voting Share for each five pre-consolidation Subordinate Voting Shares or Multiple Voting Shares, respectively, with the rounding up of each fractional share (the "**Share Consolidation**"). Such Articles of Amendment also amended and restated the rights, privileges, restrictions and conditions in respect of the Subordinate Voting Shares and Multiple Voting Shares. See "*Description of Share Capital*".

GENERAL DEVELOPMENT OF THE BUSINESS

The following are details of the events that have influenced the general development of the Company's business over the past three financial years. Additional information concerning the Company's business is provided elsewhere in this annual information form under the headings "*Corporate Structure*" and "*Description of the Business*".

Prior to December 17, 2018, the Company was operating under the name "God's Lake Resources Inc." and its principal business was mineral resource exploration. The Company's common shares had been trading on the CSE under the symbol "GLR".

On April 30, 2018, the Company announced that it had determined that it was no longer appropriate to commence any exploration on its mineral exploration properties (the "**Properties**"): (i) the Muskasenda Project comprised of one (1) unpatented mining claim in English Township in the District of Cochrane, Porcupine Mining Division, Ontario; (ii) the Castlewood Project comprised of 16 unpatented mining claims in the Castlewood Lake Area of the Thunder Bay Mining Division, Ontario; and (iii) the Shaw Township Project comprised of two (2) patented mining claims, which included both mining and surface rights, in Shaw Township, near Timmins, Ontario. As a result, the Company assigned all of the shares of its previously owned subsidiary which held the Properties (the "**Debt Settlement**") in consideration for settling loans in the aggregate amount of $100,000 owed to related companies in order to prepare for its pursuit of other business opportunities. As a result of the Debt Settlement, the Company reduced the recorded value of the Properties and related field equipment in the audited financial statements from $881,545 to $100,000 for the twelve months ended December 31, 2017.

On May 30, 2018, FII purchased 4,976,075 common shares of the Company from Michael Sheridan, the former President, Chief Executive Officer and director of the Company, and 560,000 common shares from Mr. Sheridan's wholly-owned company, Tough-Oakes Explorations Inc. The 5,536,075 common shares acquired by FII at that time represented approximately 59.96% of the then issued and outstanding common shares of the Company.

On June 20, 2018, the Company announced its intention to proceed with the Change of Business. The Company then requested that trading in its common shares on the CSE be halted pending the completion of the Change of Business.

On December 17, 2018, in connection with the completion of the Change of Business, the Company changed its name to "FAX Capital Corp.", created the Multiple Voting Shares and re-classified its common shares into Subordinate Voting Shares.

Also, on December 17, 2018, the Company announced that it had completed the issuance of 5,555,555 Multiple Voting Shares on a private placement basis to FII at a subscription price of $0.72 per Multiple Voting Share for total proceeds of approximately $4,000,000. In conjunction with the completion of this private placement, FII, which then owned all of the Company's Multiple Voting Shares, entered into a Coattail Agreement with the Company and Computershare Trust Company of Canada, acting as trustee

for the benefit of the holders of Subordinate Voting Shares. For further information, please see "*Description of Share Capital – Coattail Agreement*".

On February 1, 2019, the Subordinate Voting Shares were approved for listing on the CSE. Trading in the Subordinate Voting Shares began on February 4, 2019, under the symbol "FXC".

On May 2, 2019, the Company announced that Marc Robinson and Nickolas Lim joined the Company's investment management team as Managing Directors.

On November 21, 2019, the Company announced the closing of its public offering (the "**Offering**") of units of the Company (the "**Units**"), consisting of one Subordinate Voting Share and one Subordinate Voting Share purchase warrant (a "**Founder Warrant**"). An aggregate of 15,560,000 Units were issued by the Company at a price of $4.50 per Unit pursuant to the Offering for aggregate gross proceeds of $70,020,000. The Company also announced the closing of a private placement issuance of 26,671,110 Multiple Voting Shares to FII at a price of $4.50 per share for aggregate proceeds of $120,019,995 (the "**Substantial Equity Investment**"). The aggregate proceeds of the Offering and the Substantial Equity Investment was $190,039,995.

The Company's Subordinate Voting Shares and Founder Warrants began trading on the TSX under the symbols "FXC" and "FXC.WT", respectively, on November 21, 2019 pursuant to the TSX's Sandbox initiative for the listing of new issuers (the "**TSX Sandbox**"). The Company's Subordinate Voting Shares were voluntarily halted and delisted from the CSE after the close of markets on November 21, 2019. As a condition to the listing on the TSX, the Company is required to make the following disclosures:

- The Company does not meet the original listing requirements of the TSX set out at section 3.09(a) of the TSX Company Manual;

- The TSX has exercised its discretion to waive the requirements for historical earnings and pre-tax cash flow, and has listed the Company pursuant to the TSX Sandbox. Listing pursuant to the TSX Sandbox was conditioned upon a public raise resulting in minimum gross proceeds of $50 million;

- The Company will remain listed pursuant to the TSX Sandbox rules until such time as it has: (i) deployed 50% of the Net Proceeds of the Offerings; and (ii) publicly filed interim financial statements reflecting a full quarter of operating history subsequent to listing on the TSX; and

- As disclosed in this annual information form under the heading "*Risk Factors*", the Company has limited operating history in its current business and there is a very limited basis upon which prospective investors may evaluate the Company's ability to achieve its stated business objective. See "*Risk Factors*" for further details.

Since completing the Offering and Substantial Equity Investment, the Company has been working diligently to refine its potential investment pipeline and has reviewed approximately 100 potential investee companies. It has narrowed its focus to a handful of possible targets, including both public and private companies. The Company continues to review its near-term investment opportunities and anticipates continuing to deploy capital throughout 2020. In taking a thorough and patient approach to investing, however, the Company expects that the diligence process in reviewing and structuring potential investments will take time.

As at the date hereof, the Company has eight employees.

DESCRIPTION OF THE BUSINESS

Business Objective and Investment Strategies

The business objective of the Company is to maximize its intrinsic value on a per share basis over the long-term by seeking to achieve superior investment performance commensurate with reasonable risk. The Company invests in equity, debt and/or hybrid securities of high-quality businesses (each, a "**Portfolio Company"** and collectively, the "**Portfolio Companies**") in furtherance of the Company's business objective with such investment tailored to the specific needs and opportunities of the Portfolio Company. Depending on the circumstances of any particular investment opportunity and subject to compliance with applicable law, the Company's investment in a Portfolio Company may range from a minority ownership position to a significant influence position including, in some instances, control. The Company may also manage funds or other special purpose vehicles, which could raise third-party capital. The creation of any such private funds or other special purpose vehicles may require the Company to comply with registration requirements under applicable securities laws.

The Company initially intends to invest in approximately 10 to 15 high-quality small cap public and private businesses located primarily in Canada and, to a lesser extent, the United States. The Company intends to support the growth and development of its Portfolio Companies through active ownership, leveraging its industry experience, business contact network and financial strength. Active ownership is an integral part of the Company's investment strategy and the support extended to Portfolio Companies may be provided by way of board representation, board observer rights, strategic, financial, governance and capital market support, and/or preparing the Portfolio Company for potential corporate transactions. The Company understands that operational and strategic improvements can take many years to implement, and the Company's fundamental belief is that developing best-in-class companies takes time. Therefore, the Company's ownership will generally not be limited to a specific timeframe.

For the purposes of executing its business objective, the Company defines "active ownership" to include using the Company's rights and ownership position to influence the activities or behaviour of its Portfolio Companies. In this regard, actions taken by the Company could include regular engagement with its Portfolio Companies with the explicit intention of influencing a Portfolio Company's policies and practices, but may also extend to a wider range of engagement through different influence processes in order to support the growth and development of its Portfolio Companies. The Company's goal is aimed at continuous engagement, and taking a longer-term perspective toward its investments and the affairs of its Portfolio Companies.

The Company will seek to achieve its business objective by applying the following investment principles:

- it will invest with a long-term view;
- it may invest in both public and private companies;
- it will take a concentrated approach to portfolio construction (which is initially expected to include 10-15 target companies);
- it may invest across the capital structure, tailoring its investments, where appropriate, to the needs of Portfolio Companies including through equity, debt and/or hybrid securities;
- it will invest in high-quality businesses or those that have the potential to be high-quality businesses;
- it will work for continuous improvement in the performance of Portfolio Companies through active ownership and the leveraging of its industry experience, business contact network and financial strength; and

- it will seek to promote and encourage best-in-class governance practices in the Portfolio Companies.

Investment Selection

The Company anticipates that approximately 80% of the Net Proceeds of the Offerings will be allocated towards public entities via the Company's "Public Company Investments" strategy, and the Company commits to invest at least 60% of the Net Proceeds of the Offerings in public entities. The balance of the funds will be allocated towards private entities via the Company's "Private Company Investments" strategy.

The Company's investment selection process begins with a robust set of public and private companies. This universe of companies is then reduced into a shortlist of potential investments based on quantitative screens, fundamental analysis and internal expertise, as well as through a network of trusted relationships.

Once shortlisted, the Company's focus is on conducting fundamental research by spending the time necessary to thoroughly investigate a potential investment and gain a deep understanding of the business's operating environment. The Company comprehensively analyzes the prospective Portfolio Company's financial results. Should the potential investment meet the Company's disciplined investment criteria, the Company will then move forward with an investment, including potentially structuring the transaction to meet the objectives of the Company.

Each of the Company's initial investments in a Portfolio Company will be formally approved by a majority of the Company's internal Investment Committee (the "**Investment Committee**") prior to committing to such investment and at specified thresholds thereafter. The Investment Committee is currently comprised of John F. Driscoll, Blair Driscoll, Marc Robinson (Managing Director) and Nickolas Lim (Managing Director). The mandate of the Investment Committee includes the approval, on a majority basis, of each proposed investment monetization as well as the consideration of other significant events in respect of any Portfolio Company that may reasonably be brought forward by the Company's management for the Investment Committee's review. The Investment Committee's mandate also requires that conflicted members abstain from voting. The Investment Committee reports at least quarterly to the Board on its operations, or more frequently as events warrant.

With respect to fundamental analysis, the Company has established detailed investment criteria to facilitate the evaluation and due diligence of each investment opportunity. These criteria address both the fundamental merit of a potential investment as well as the corresponding risks, and specifically focus on the following:

- management strength including experience, alignment and bench strength;
- top and bottom-line growth opportunities, both organic and inorganic, including the degree of visibility into this growth and the opportunity for re-investment of capital in support of growth opportunities;
- operational execution and the sustainability of the business model including barriers to entry, competitive position and durability of cash flows;
- profitability including margin trajectory, operating leverage, free cash flow conversion, and per share compounding expectations;
- capital intensity including returns on capital, capital expenditure requirements and balance sheet capacity;
- corporate health and risk, including risk assessment and mitigation strategies, and

- valuation including a target of 10-15% unlevered internal rate of return.

The Company will invest in high-quality businesses, or those that have the potential to be high-quality businesses, and, as such, will generally avoid unproven and speculative business models. The sectors in which the Company will focus its investment selection process include:

- agri-forestry;
- consumer and retail;
- energy services and power services;
- financial;
- health care;
- industrial;
- real estate; and
- technology.

Managing Portfolio Companies

The Company intends to take an active role in overseeing its Portfolio Companies. The expected degree of influence will depend, in part, on the Company's ownership position of each investment. The Company's expected ownership positions can generally be categorized as follows:

- **Minority Positions** – where the Company owns less than 10% of a Portfolio Company's equity;
- **Significant Minority Positions** – where the Company owns between 10% and 50% of a Portfolio Company's equity; and
- **Control Positions** – where the Company owns greater than 50% of a Portfolio Company's equity.

Following any investment, the Company (and/or its representative, where applicable) will endeavour to work in a hands-on and constructive manner with its Portfolio Companies in an effort to create sustainable long-term value. In particular, the Company's active ownership will be focused on enhancing value in the following four primary areas – Capital Markets, Capital Structure Support, Governance, and Strategy:

- **Capital Markets:** capital support to pursue key strategic initiatives, source of permanent capital in subsequent financings, communication strategies and access to investors.
- **Capital Structure Support:** appropriate use of leverage, help source and optimize financing options, help with capital allocation decisions including capital expenditure programs, share buybacks and dividends.
- **Governance:** adopt best practices and strong board composition, augment management (if needed), optimize management incentive structures and alignment and improve reporting and public disclosure.
- **Strategy:** revenue enhancements, mergers and acquisitions/non-core asset divestitures, priorities setting, cost efficiencies and asset utilizations.

Through capital and strategic support, and by leveraging the management team's extensive track record of successful business building, the Company's goal is to help Portfolio Companies thrive and build a stronger foundation for long-term growth, thereby leading to greater investor appeal, higher valuation and enhanced attractiveness to both strategic buyers and investors.

The Company's investment rationale and return expectations will be regularly tested and evaluated against its available opportunity set of investments to ensure the Company's returns are maximized on a risk-adjusted basis. In the event that there is a better use of capital, the Company may seek to exit an investment through open-market sales, recapitalizations, block trades, secondary offerings, initial public offerings or a sale of the Portfolio Company.

Notwithstanding the Company's long-term investment horizon, it may, from time to time, seek to monetize on any of its investments. The conditions under which it may sell all or part of an investment include, but are not limited to: (i) the investment maturing, or reaching or exceeding its calculation of intrinsic value; (ii) a change in corporate or operational strategy that differs from its original investment thesis; (iii) an opportunity arising to achieve liquidity on attractive terms; or (iv) identifying another investment that offers a more attractive risk-adjusted return opportunity and where additional capital is needed to make the investment. All monetization events will require approval of the Investment Committee.

Business Segments

The Company's business is categorized within the following key areas – Public Company Investments and Private Company Investments.

Public Company Investments

Public Company Investments will consist of meaningful and influential stakes in carefully selected companies that have the potential to significantly improve the fundamental value of their business over the long-term. Initially, the Company will invest in small cap companies. The Company's focus is to utilize its own balance sheet to invest in, develop, and actively support its Portfolio Companies through the provision of patient capital, expertise, and advice, coupled with a long-term horizon. Public Company Investments will be focused in Canada and, to a lesser extent, in the U.S., and with a target company market capitalization between $15 million and $1.5 billion. The level and nature of influence or control of the Portfolio Company will vary by investment.

The Company intends to invest in companies that it believes are underpinned by solid fundamentals and have a clear, concise and sustainable business strategy that is focused on long-term value enhancement. These companies may already be high-quality and performing or may exhibit an attractive long-term opportunity because the company or industry may have fallen out of favour, or become misunderstood, or facing challenges that concern a market that is increasingly short-term focused. The structure of the Company's investments in public issuers may take the form of equity, debt and/or hybrid securities. In certain cases, this flexibility will allow the Company to strategically increase the yield and diversification of its listed portfolio holdings and may provide structured downside protections through preference in the capital structure. The Company may acquire such ownership positions via secondary market purchases, structured transactions or private placements directly from such issuers.

In general, within the Public Company Investments segment, the Company will target entities grouped into five distinct categories, as follows:

(1) **Capital compounders**. These companies are more established, having already substantially de-risked their business models. These companies are generally generating free cash flow, earnings and robust returns on capital, but forecasted results are either unknown, understated or mispriced by public markets. The Company believes that buying these businesses opportunistically and holding them for the long-term can provide an attractive compounding vehicle.

(2) **Counter-cyclical investments**. These companies operate in cyclical industries that can periodically fall out of favour, particularly considering the short-term focus of the market. The Company intends to opportunistically buy these businesses at attractive valuations, arbitraging the markets' short-term bias.

(3) **Established businesses with capital needs**. These businesses are well run, established and growing, but are under-capitalized and challenged to raise capital in today's market where limited funds are available to small companies. The Company will look to finance these companies, often aiming to be the final capital infusion to fully fund the business plan towards internally generated growth. The Company will look to provide guidance into how this capital is allocated to maximize returns.

(4) **Early-stage companies**. These companies have developing business models. Although the Company will not look to invest in highly speculative investments, it will seek companies that have already partially de-risked their business models through contract wins, revenue generation and/or partnerships, but may still need time to advance towards sustainable free cash flow generation. These companies may require both financial and strategic support, particularly as it pertains to capital market decisions.

(5) **Workouts/Turnarounds**. These companies once had proven business models but have fallen on challenging times. The Company will invest in these businesses only if it believes their business models can be sustainably repaired. These opportunities may require more creative capital structuring to manage risk, and will likely require substantial financial commitment and strategic direction from the Company.

Private Company Investments

The Company will invest in high-quality growth-oriented private businesses and be a flexible, patient partner. Initially, the Company intends to target private Canadian companies with enterprise values in the range of $15 million to $250 million. These investments can be made across the capital structure in the form of equity, debt and/or hybrid securities. The Company intends to enhance its investment returns and mitigate downside risks by, where appropriate, actively engaging with its Portfolio Companies in a constructive manner.

In general, the Company sources potential transactions from the Company's network or limited action engagements. At this stage of the Company's development, the Company believes it is not an efficient use of its resources to participate in widely-marketed transactions because of the time commitment and highly competitive nature of such transactions.

To originate transactions, the Company utilizes established networks of trusted relationships and the domain expertise of its investment professionals. These networks of trusted relationships includes, but are not limited to, major shareholders, directors and management teams of existing, past and potential investments, family offices, institutional investors, investment banks, law firms, accounting firms, consulting firms and former clients and colleagues. The Company seeks to build a reputation as a credible "partner of choice" and anticipates it will build such a reputation and goodwill initially through its public market activities.

The Company identifies industries with attractive attributes through a top-down approach. Once attractive industries have been identified, the Company will use a thorough bottom up approach to diligence individual companies within these industries. To assist in the due diligence process, the Company intends to leverage its network of experienced operating executives, consultants and advisors. Private businesses that the Company intends to invest in will generally have the following characteristics:

- target enterprise value of $15 - $250 million;
- size of investment between $5 - $35 million;

- flexible on investment/transaction structure (minority to control investments; equity, debt, and/or hybrid);

- strong management team with appropriate incentive structures;

- growing, sustainable free cash flow with attractive returns on capital;

- leading market position in niche markets with durable competitive advantages; and

- meaningful growth opportunities through organic initiatives and add-on acquisitions in a fragmented industry.

Within the Private Company Investments segment, the Company will initially be targeting entities grouped into five distinct categories, as follows:

(1) **Ownership transition**. These businesses are owned and operated by entrepreneurs who are seeking to sell a portion or all of their business because of succession issues. The Company may retain the existing management team or put in place a new management team. In either case, the Company will look to align interests by having management be owners of the business.

(2) **Growth capital.** These businesses are less mature and are looking for a financial partner to support organic growth or acquisition strategies. In some cases, this capital may be used for a transformative acquisition or development project. The Company intends to help management teams execute on their growth initiatives, which may include increased customer penetration, expansion into new markets and new services or products.

(3) **Platform companies.** These businesses typically operate in fragmented industries and have a differentiated approach to execute and integrate roll-up acquisitions. Within this category, the Company intends to provide capital for initial and follow-on acquisitions. The Company intends to assist management by identifying and securing suitable targets, helping to arrange financing and helping to build corporate development teams.

(4) **Corporate carveouts.** These businesses are divisions or subsidiaries of larger corporations. The Company intends to invest in divisions or subsidiaries that it believes will be able to operate more effectively as independent companies. To ensure a successful transition from being a subsidiary to a stand-alone business, the Company will focus on having in place the right management team and right technological systems and processes.

(5) **Take privates.** These businesses are publicly-listed companies that can operate more effectively as private companies, generally to enable the company to pursue long-term growth objectives. The Company understands that public markets may be short-term focused, which may allow the Company to privatize a publicly-listed company at an attractive valuation.

Over time, the Company may invest in other situations such as counter-cyclical investments and workouts, restructurings and turnarounds.

The Company intends to apply analytical rigour and be creative in structuring transactions to achieve its business objective as well as to consummate a transaction.

For each Portfolio Company, the Company will develop a strategic plan with clear actions to create value. The strategic plan will generally ensure that the right management team is in place with the right incentive structure and include growth initiatives, profitability and capital improvements and balance sheet optimization. The Company will also look to implement governance best practices and will generally utilize experienced operating executives.

The Company may, in the future, create and manage private funds, structured as limited partnerships, whereby the Company, or a subsidiary of the Company, would be the general partner. If and when such a private fund is created, it could be with a specific investment focus in a class of assets, such as private equity, private credit, real estate, infrastructure or venture capital and could include third-party limited partners, such as institutional and other accredited investors, in addition to the Company. The management of such private funds would allow the Company to earn fees and potentially share in the profits of its limited partners through carried interest participation, and therefore has the potential to create fee streams to create value for the Company's shareholders.

Investment Restrictions

Each of the Company's portfolio investments is subject to a concentration restriction that prohibits the Company from making an investment if, after giving effect to such investment, such investment would exceed 20% of Total Assets; provided, however, that the Company will nonetheless be permitted to complete up to two portfolio investments where, after giving effect to each such investment, the total amount of each such investment would be equal to no more than 25% of the Total Assets (the "**Investment Concentration Restriction**"). While the Company currently intends to make between 10 to 15 investments in accordance with its business objective, it will invest the Net Proceeds of the Offerings in a minimum of six different investments (the "**Minimum Investment Restriction**"). Further, the Company will invest at least 75% of the Net Proceeds of the Offerings on or before November 21, 2022, except where the Board determines, acting reasonably and in good faith, that satisfying such commitment would result in a breach of the Board's fiduciary duties under applicable corporate law. Pending deployment into investment Portfolio Companies, the Company will invest at least 90% of the Net Proceeds of the Offerings in liquid and low risk securities.

The Company will at all times utilize one or more custodians to hold its assets. The Company has entered into the Custodial Services Agreement with CIBC World Markets Inc. (the "**Custodian**"), pursuant to which the Custodian, at its principal office in Toronto, Ontario, has been appointed to act as the custodian of the Company's investment portfolio, as constituted from time to time, and certain other assets of the Company. See "*Custodian*" for further details.

Use of Leverage

The Company does not currently intend on using leverage to achieve its business objective. However, in certain circumstances the Company may benefit from this increased flexibility. Therefore, the Company is authorized to borrow to make investments, maintain liquidity or for general working capital purposes, all in accordance with its business objective and investment strategies. The Company may borrow up to an amount not exceeding 25% of the Total Assets, measured at the time of borrowing. If the aggregate borrowings exceed at any time 35% of the Total Assets for a period exceeding six months, the Company will take steps to reduce indebtedness in an orderly manner as soon as practicable thereafter.

Investment Team

The Investment Committee is currently comprised of John F. Driscoll, Blair Driscoll, Marc Robinson and Nickolas Lim. The following table sets forth information regarding the Managing Directors of the Company, Marc Robinson and Nickolas Lim, who represent two of the four members of the Investment Committee. For information on John F. Driscoll and Blair Driscoll, see "*Directors and Officers – Director and Executive Officer Bios*".

Name, Province and Country of Residence	Position/Title	Experience
Marc Robinson Ontario, Canada	Managing Director	Mr. Robinson has approximately 20 years of experience in the financial services industry. Prior to joining the Company, Mr. Robinson was a Portfolio Manager, focused on the North American small cap market at LDIC Inc. from May 2016 to April 2019. Prior to that, from June 2009 to May 2016, Mr. Robinson was a Research Analyst with Cormark Securities Inc., where he focused on Canadian small cap markets and was a member of the firm's Executive Committee. Mr. Robinson was previously a Partner and Portfolio Manager with Lawrence Asset Management from September 2004 to June 2009, and began his career as an Investment Banker at Merrill Lynch & Company from June 2000 to September 2002. Mr. Robinson holds a Chartered Investment Manager (CIM) designation.
Nickolas Lim Ontario, Canada	Managing Director	Mr. Lim has approximately 15 years of experience in the financial services industry. Mr. Lim joined the Company from Hamblin Watsa Investment Counsel, Fairfax Financial Holdings Limited's investment management subsidiary, where he served as Vice President from July 2017 to April 2019, focused on private investments, credit investments and real estate. Prior to that, Mr. Lim served 7 years at Brookfield Asset Management as Vice President, Investments in the private equity group and public securities group as a member of their respective investment teams. Mr. Lim previously worked as an analyst at two multi-strategy hedge funds and started his career in the mergers and acquisitions group of Scotia Capital Inc. in August 2004. Mr. Lim is a CFA Charterholder and is a member of the Mechanical & Industrial Engineering Advisory Board of the University of Toronto.

Calculation of Total Assets and Book Value

The total assets of the Company on a particular date will be equal to the aggregate fair value of the assets of the Company on such date, without deduction of liabilities, expressed in Canadian dollars (the "**Total Assets**"). The book value of the Company on a particular date will be equal to the aggregate fair value of the assets of the Company on such date, less the aggregate carrying value of the liabilities of the Company, expressed in Canadian dollars (the "**Book Value**"). If the Company has any subsidiary entities, should the Company ever do so, the assets and liabilities of its subsidiaries (net of any minority interest) will be included for the purposes of calculating the Book Value.

The assets of the Company are valued by the Company in accordance with the procedures described below, subject to the Board's discretion. Assets are valued at market prices provided by independent pricing sources, except to the extent that the market prices are not readily available or do not reflect the fair value of such assets. If market prices are not readily available or if it is determined, following procedures approved by the Board, that market prices do not reflect the fair value of such assets, the Company will value such assets in accordance with policies and procedures approved by the Board. Assets that may be valued using fair value pricing include, but are not limited to: (i) an unlisted security; (ii) a restricted security; (iii) a security whose trading has been suspended or which has been de-listed from its primary trading exchange; (iv) a security that is thinly traded; (v) a security whose issuer is in default or

bankruptcy proceedings for which there is no current market quotation; (vi) a security affected by extreme market conditions; (vii) a security affected by currency controls or restrictions; and (viii) a security affected by a significant event (e.g., an event that occurs after the close of the markets on which the security is traded). Foreign currency-denominated investments will be valued using foreign currency exchange rates provided by independent sources.

Ongoing Fees and Expenses

The Company will be responsible for all day to day operating expenses, subject to the Operating Expense Cap, including, but not limited to: (i) compensation of officers, investment personnel and other employees; (ii) expenses of the Company's directors, including directors' fees and travel expenses; (iii) expenses related to maintenance of corporate records and books of account, including, without limitation, fees and out-of-pocket expenses of any service company retained to provide accounting and bookkeeping services; (iv) costs and fees relating to the preparation of financial statements, audits, review engagements, financial and tax reports, portfolio valuations, tax returns and other reports and continuous disclosure materials; (v) expenses related to organization and conduct of all annual general meetings of Shareholders, including the preparation and distribution of all reports to, and other communications with, Shareholders; (vi) expenses related to transfer agency and custodial fees; (vii) ongoing legal, compliance and company secretarial expenses; (viii) expenses and fees relating to insurance and indemnification costs; (ix) costs associated with the Company's rent, administration and other overhead expenses; (x) fees, costs and expenses related to all governmental filings of the Company and, in some cases, its subsidiaries (other than filings in connection with the acquisition, holding or disposition of investments); (xi) expenses related to organization and conduct of Board meetings; (xii) expenses relating to the administration of the Company's Long-Term Incentive Plan; and (xiii) expenses related to issuing and transferring Subordinate Voting Shares, Founder Warrants or other any other securities that may be issued from time to time and paying dividends or making other distributions thereon, and other similar expenses (collectively, the "**Covered Operating Expenses**").

In addition, the Company will be responsible for all expenses incurred related to sourcing and evaluating investment opportunities, tax and regulatory reporting, income taxes and certain other expenses including, but not limited to: (i) expenses incurred in connection with the acquisition, holding or disposition of investments, including taxes, brokerage fees and commissions, underwriting commissions and discounts, expenses related to indemnification obligations, and legal, accounting, investment banking, consulting, information services and other professional fees; (ii) costs and expenses relating to investment transactions that are not consummated, including legal, accounting, investment banking, consulting, information services and other professional fees related thereto; (iii) costs of prosecuting or defending any legal action for or against the Company and its Board and, in some cases, its subsidiaries and the board of directors of its subsidiaries; (iv) costs and expenses related to borrowing and interest costs; (v) entity-level income taxes and, in some cases, taxes for the Company's subsidiaries; and (vi) expenses related to organization and conduct of any special meetings of Shareholders including the preparation and distribution of all reports to, and other communications with, Shareholders.

For the period from November 21, 2019 until December 31, 2024, FII has agreed to pay, after the end of each fiscal year of the Company (pro rated for the period from November 21, 2019 to December 31, 2019), all Covered Operating Expenses exceeding 2.85% of the average month-end Book Value for such fiscal year (the "**Operating Expense Cap**"). Despite the forgoing, FII retains the right in its sole discretion to determine if an expense not referenced herein qualifies as a Covered Operating Expense.

Dividend Policy

The Company does not anticipate paying any dividends for the foreseeable future. The Company currently intends to use its future earnings and other cash resources for the operation and development of its business, but may declare and pay dividends in the future as the Board may determine. Any future determination to pay dividends on the Subordinate Voting Shares and the Multiple Voting Shares will be at the sole discretion of the Board and will depend on, among other things, the Company's earnings,

investment opportunities, financial requirements for the Company's operations, the satisfaction of solvency tests imposed by applicable law and regulations, corporate law requirements and other factors that the Board may deem relevant.

RISK FACTORS

An investment in the Company carries a number of risks, many of which are inherent in the Company's business, including the risk that the entire investment may be lost. In addition to all other information set out in this annual information form, the following specific factors could materially adversely affect the Company. Other risks and uncertainties that the Company does not currently consider to be material, or of which the Company is not currently aware, may become important factors that affect the Company's future financial condition and results of operations. The occurrence of any of the risks discussed below could materially adversely affect the business, prospects, financial condition, results of operations or cash flow of the Company.

Risk Factors Related to the Business of the Company

Limited Operating History or Revenue

The Company only recently commenced operations. As the Company lacks an operating history in its current business, there is a very limited basis upon which a prospective investor can evaluate the Company's ability to achieve its stated business objective. Although the Company expects to make investments in accordance with its business objective and investment strategies, the Company is currently in the early stages of establishing plans, arrangements or understandings with any prospective investment and may be unable to close on any investments in the near term.

Shareholders Are Not Entitled to Vote on the Company's Proposed Investments

In determining how best to invest the Net Proceeds of the Offerings, the Company will be relying on its experience and expertise, and may, from time to time, retain the services of one or more portfolio managers, to source and identify suitable investments. Accordingly, holders of Subordinate Voting Shares and Founder Warrants will not be afforded the opportunity to either approve or oppose an investment opportunity of the Company. Thus, the Company may consummate any such investment even if a majority of the holders of its outstanding equity securities do not favour the particular investment.

Long-Term Nature of Investment

An investment in Subordinate Voting Shares and Founder Warrants requires a long-term commitment with no certainty of return. Some investments to be made by the Company are not expected to generate current income. Therefore, the return of capital to the Company and the realization of gains, if any, from the Company's investments will generally occur only upon the partial or complete realization or disposition of such investment. While an investment of the Company may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of the Company's investments will not occur for a number of years after each such investment is made.

Potential Lack of Investment Diversification

Other than the Investment Concentration Restriction, the Company does not have any specific limits on the holdings in securities of issuers, or in any one industry or size of issuer. Additionally, the Company intends to primarily focus on companies located in Canada, although investments may extend to the United States. Accordingly, the securities in which the Company invests may not be diversified across many sectors and will be concentrated in specific regions or countries, such as Canada. The Company may also have a significant portion of investments in the securities of a single issuer.

A relatively high concentration of assets could result in a portfolio that may be more vulnerable to fluctuations in value resulting from adverse conditions that may affect the economy, a particular industry, or a segment of issuers than would otherwise be the case if the Company were required to maintain wide diversification. Consequently, significant declines in the fair value of the Company's larger investments will produce a material decline in the Company's reported earnings.

Financial Market Fluctuations and Deterioration of Political Conditions

In accordance with the Company's business objective and investment strategies, the Company will invest in both private businesses and publicly traded businesses. With respect to publicly traded businesses, fluctuations in the market price of such securities may negatively affect the value of such investments. In addition, general instability in the public debt market and other securities markets may impede the ability of businesses to refinance their debt through selling new securities, thereby limiting the Company's investment options with respect to a particular portfolio investment.

To the extent that the economy deteriorates for an extended period of time, one or more of the Company's investments could be materially harmed. In addition, the Company's investments may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outcome of the United Kingdom's decision to leave the European Union (commonly referred to as "Brexit"), the recent outbreaks of the novel coronavirus (COVID-19), political and civil unrest in Hong Kong, the trade war between China and the United States, falling or volatile oil prices and related international tensions, and the eventual impact of the new United States-Mexico-Canada Agreement may create further uncertainty and risk with respect to the prospects of the Company's investments or potential investments.

Global capital markets have also recently experienced extreme volatility which may, in conjunction with the factors set out above and despite the actions of government authorities, contribute to a worsening of general economic conditions including, high levels of unemployment in Canada and other economies, the unavailability of credit or the devaluation of currencies.

Unexpected changes in these factors and financial market and economic conditions could negatively impair the Company's financial condition, profitability and cash flows, and may also have a negative effect on the valuation of, and the ability of the Company to exit or partially divest from, investment positions.

Depending on market conditions, the Company may incur substantial realized and unrealized losses in future periods, all of which may materially adversely affect its results of operations and the value of any investment in the Company.

Failure to Execute the Company's Investment Strategies

Although the Company intends to make long-term investments that achieve superior investment performance commensurate with reasonable risk, this goal relies on the successful execution of its investment strategies. The successful execution of the Company's investment strategies is uncertain as it requires suitable opportunities, careful timing and business judgment, as well as sufficient resources to make investments and restructure them, if required, notwithstanding difficulties experienced in a particular industry.

In addition, there is no assurance that the Company will be able to identify suitable or sufficient opportunities that meet its investment criteria and be able to make investments at attractive prices to supplement its growth in a timely manner, or at all.

Making a determination as to the fundamental value and the value-enhancing potential of an investment may involve uncertainties and judgmental determinations. The Company may fail to value opportunities accurately or to consider all relevant factors that may be necessary or helpful in evaluating

an opportunity. There may be certain liabilities, obligations, facts or circumstances that are not discovered during the Company's due diligence prior to the completion of an investment.

The Company may fail to close on a potential investment opportunity for any number of reasons, including those beyond the Company's control. Failure to close on a potential investment may result in a loss of substantial management time and attention and of significant accounting, legal or other fees and expenses.

Further, the Company may underestimate the costs necessary to bring an investment up to standards established for its intended market position, may be exposed to unexpected risks and costs associated with its investments, and/or may be unable to quickly and effectively integrate new investments into its existing operations or exit from the investment on favorable terms.

Pace of Completing Investments

The Company's business is to identify suitable investment opportunities, pursuing such opportunities and consummating such opportunities. If the Company is unable to source and manage its investments effectively, it would adversely impact the Company's financial position and earnings. There can be no assurance as to the pace of finding and implementing investment opportunities.

Conversely, there may only be a limited number of suitable investment opportunities at any given time. A lengthy period prior to which capital is deployed may adversely affect the Company's overall performance.

Control or Significant Influence Risk

Although the Company will endeavour to make investments that allow the Company to acquire control or exercise significant influence over management and the strategic direction of its portfolio, there can be no assurance that all investments will provide the Company with a degree of influence or control over their portfolio investments. In addition, the exercise of control over a Portfolio Company imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability characteristic of business operations may be ignored. The exercise of control over an investment could expose the assets of the Company to claims by such businesses, its shareholders and its creditors. While the Company intends to manage its investments in a manner that will minimize the exposure to these risks, the possibility of successful claims cannot be precluded.

Minority Investments

The Company may make minority equity investments in businesses in which the Company does not participate in the management or otherwise control the business or affairs of such businesses. The Company will monitor the performance of each investment and maintain an ongoing dialogue with each business management team, however, it will be the responsibility of the management of the business to operate the business on a day-to-day basis and the Company may not have the right or ability to control or otherwise influence such business. The Company will not control the business and affairs of all Portfolio Companies. Accordingly, these companies may undertake activities which the Company does not believe is in their best interests.

Ranking of Company Investments and Structural Subordination

The Company invests, or may invest, in public and private equity and debt securities. Portfolio investments may have, or may be permitted to incur, other debt that ranks equally with, or senior to, the debt in which the Company invests. By their terms, such debt instruments may entitle the holders to receive payment of interest or principal on or before the dates on which the Company is entitled to receive payments with respect to the debt instruments in which the Company invests. Also, in the event of insolvency,

liquidation, dissolution, reorganization or bankruptcy of a portfolio business, holders of debt instruments ranking senior to the Company's investment in that portfolio business would typically be entitled to receive payment in full before the Company receives any distribution. After repaying such senior creditors, such portfolio business may not have any remaining assets to use to repay its obligation to the Company. In the case of debt ranking equally with debt instruments in which the Company invests, the Company would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio business.

Follow-On Investments

Following the initial investment in a business, the Company may be called upon to provide additional funds or have the opportunity to increase its investment in such business through the exercise of a warrant or other right to purchase securities or to fund additional investments through such business. There is no assurance that the Company will make follow-on investments or that the Company will have sufficient funds to make any such investment. Even if the Company has sufficient capital to make a desired follow-on investment, the Company may elect not to make such investment, as the Company may not want to increase its level of risk, the Company may prefer other opportunities or the Company may be restricted from doing so under its investment guidelines. Any decision by the Company not to make follow-on investments or its inability to make such follow-on investments may have a negative impact on the portfolio business in need of such investment, may result in a missed opportunity for the Company to increase its participation in a successful operation or may reduce the expected return on the investment.

Prepayments of Debt Investments

Debt investments made by the Company may be repaid or prepaid by Portfolio Companies prior to maturity. When this occurs, the Company will generally reinvest these proceeds in liquid and low risk securities, pending their future investment in new Portfolio Companies. This reinvestment will typically have substantially lower yields than the debt being prepaid and the Company could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio business may also be at lower yields than the debt that was repaid. As a result, the Company's results of operations could be adversely affected if one or more Portfolio Companies elect to prepay amounts owed to the Company. Downward changes in interest rates may cause prepayments to occur at a faster than expected rate, thereby effectively shortening the maturity of the security and making the security less likely to be an income-producing instrument. Additionally, prepayments, net of prepayment fees (if any), could negatively impact the Company's return on equity.

Risks upon Disposition of Investments

In connection with the disposition of an investment in a Portfolio Company, the Company may be required to make representations about the business and financial affairs of the business, or may be responsible as a selling securityholder for the contents of disclosure documents under applicable securities laws. The Company may be required to indemnify the borrowers, investors or purchasers of such investment or underwriters to the extent that any such representation turns out to be incorrect, inaccurate or misleading.

Bridge Financings

From time to time, the Company may lend to businesses on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term securities. Such bridge loans will typically be convertible into a more permanent, long-term security. It is possible, however, for reasons not always in the Company's control, that such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Company.

Key Employees

The Company will be substantially dependent on the services of a limited number of individuals including the Company's directors, executive officers and managing directors, and in particular, the major investment and capital allocation decisions they provide. If for any reason the Company is not able to obtain the service of key employees or the services of the Company's key employees are to become unavailable, there could be a material adverse effect on the Company's operations.

The Company is dependent on its ability to retain the services of existing key personnel and to attract and retain additional qualified and competent personnel in the future. The Company's inability to recruit and retain qualified and competent managers could impair the ability of the Company to perform its management and administrative duties.

Reliance on the Performance of Underlying Assets

The Company does not and will not have any operations, activities, or other active businesses other than the acquisition, retention and management of its investments. Accordingly, although the Company generally intends to take an active role in overseeing and monitoring its investments, factors unique to its Portfolio Companies such as changes in operating performance, profitability, financial position, creditworthiness, management, strategic direction, achievement of goals, mergers, acquisitions, divestitures, or distribution policies may affect the value of the Company's investments, and in turn, the overall performance of the Company. In addition, a decline in the state of the capital markets, changes in law and/or other events, could have a negative effect on the value of the Company's investments and the Company.

Changes that negatively impact the Company's portfolio investments could adversely affect the Company's ability to sell its investments for a capital gain or to otherwise earn revenue.

Operating and Financial Risks of Investments

Businesses in which the Company invests could deteriorate as a result of, among other factors, an adverse development in their business operations, a change in the competitive environment or an economic downturn. As a result, businesses that the Company expects to be stable may operate at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or experience financial distress. In some cases, the success of the Company's investment strategy will depend, in part, on the ability of the Company to restructure and effect improvements in the operations of a business in which it has invested. The activity of identifying and implementing restructuring programs and operating improvements at businesses entails a high degree of uncertainty. There can be no assurance that the Company will be able to successfully identify and implement such restructuring programs and improvements.

Valuation Methodologies Involve Subjective Judgments

For purposes of IFRS-compliant financial reporting, the Company's financial assets and liabilities will be valued in accordance with IFRS. Accordingly, the Company is required to follow a specific framework for measuring the fair value of its assets and liabilities and, in its audited financial statements, to provide certain disclosures regarding the use of fair value measurements.

The fair value measurement accounting guidance establishes a hierarchal disclosure framework that ranks the observability of market inputs used in measuring financial instruments at fair value. The observability of inputs depends on a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily quoted

prices, or for which fair value can be measured from quoted prices in active markets, generally will have a high degree of market price observability and less judgment applied in determining fair value.

A portion of the Company's investment portfolio may be in the form of securities that are not publicly traded. The fair value of securities and other investments that are not publicly traded may not be readily determinable. The Company will value these securities quarterly at fair value as determined in good faith by the Company and in accordance with the valuation policies and procedures described under "*Description of the Business - Calculation of Total Assets and Book Value*". However, the Company may be required to value its securities at fair value as determined in good faith by the Board to the extent necessary to reflect significant events affecting the value of its securities. The Company may utilize the services of an independent valuation firm to aid it in determining the fair value of these securities. The types of factors that may be considered in fair value pricing of the Company's investments include the nature and realizable value of any collateral, the portfolio business' ability to make payments and its earnings, the markets in which the portfolio investment does business, comparison to publicly traded companies, discounted cash flow and other relevant factors. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, such valuations may fluctuate over short periods of time and may be based on estimates, and the Company's determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. The value of the Total Assets could be materially adversely affected if the Company's determinations regarding the fair value of its investments were materially higher than the values it ultimately realizes upon the disposition of such securities.

The value of the Company's investment portfolio may also be affected by changes in accounting standards, policies or practices. From time to time, the Company will be required to adopt new or revised accounting standards or guidance. It is possible that future accounting standards that the Company is required to adopt could change the valuation of the Company's assets and liabilities.

Due to a wide variety of market factors and the nature of certain securities to be held by the Company, there is no guarantee that the value determined by the Company or any third-party valuation agents will represent the value that will be realized by the Company on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. Moreover, the valuations to be performed by the Company or any third-party valuation agents are inherently different from the valuation of the Company's securities that would be performed if the Company were forced to liquidate all or a significant portion of its securities, which liquidation valuation could be materially lower.

Legal Proceedings

The Company or its Portfolio Companies may, from time to time, become party to a variety of legal claims and regulatory proceedings in Canada or elsewhere. The existence of such claims against the Company or its affiliates, portfolio investments, directors or officers of the Company could have various adverse effects, including the incurrence of significant legal expenses defending such claims, even those claims without merit. The Company intends to manage day-to-day regulatory and legal risk primarily by implementing appropriate policies, procedures and controls. Internal and external legal counsel are also expected to work closely with the Company to identify and mitigate areas of potential regulatory and legal risk.

Reputation

The Company could be negatively impacted if there is misconduct or alleged misconduct by its personnel or those of the Portfolio Companies in which the Company invests, including historical misconduct prior to its investment. Risks associated with misconduct at Portfolio Companies is heightened in cases where it does not have legal control or significant influence over a particular Portfolio Company or is not otherwise involved in actively managing a Portfolio Company. In such situations, given the Company's ownership position and affiliation with the Portfolio Company, it may still be negatively impacted from a reputational perspective through this association. In addition, even where the Company has control over a

Portfolio Company, if it is a newly acquired Portfolio Company that the Company is in the process of integrating then the Company may face reputational risks related to historical or current misconduct or alleged misconduct at such Portfolio Company for a period of time.

Foreign Security Risk

The Company's investment portfolio may include issuers, domestic or otherwise, with multinational organizations and who have significant foreign business and foreign currency risk. The value of these securities may be influenced by foreign government policies, lack of information about foreign corporations, political or social instability and the possible levy of foreign withholding tax.

Foreign Exchange Risks

The Company's reporting currency is the Canadian dollar. A portion of the Company's investments may include securities denominated in foreign currency. The Company does not intend to implement any measures to hedge such foreign currency exposure. Accordingly, the Book Value of the Company's portfolio will fluctuate depending on the rate of exchange between the Canadian dollar and such foreign currencies. The Company may, from time to time, experience gains and losses resulting from the fluctuations of foreign currencies, which could impact the Company's financial condition, profitability or cash flows.

Unknown Merits and Risks of Future Investments

As the Company has not yet publicly identified any specific target businesses in which to invest, there is no basis for an investor to evaluate the possible merits or risks of any particular target company's operations, results of operations, cash flows, liquidity, financial condition or prospects. Although the Company will endeavour to evaluate the risks inherent in a particular investment, there can be no assurance that the Company will properly ascertain or assess all of the significant risks of such investment or that the Company will have adequate time or access to complete appropriate due diligence investigations. Furthermore, some of the risks may be outside of the Company's control and leave the Company with no ability to mitigate or control the chances that those risks will adversely impact the target company.

Investments in Private Issuers

The Company may, from time to time, invest in the securities of a private issuer. Issuers whose securities are not publicly traded are not subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded. The Company must, therefore, rely on its management team to obtain the information necessary to make an informed investment decision.

The valuations ascribed to such private securities within the Company's portfolio will be measured at fair value in accordance with IFRS, and the resulting values may differ from values that would have otherwise been used had a ready market existed for the investment. The valuation process for these private securities is not based on publicly available prices and is, to a degree, subjective in nature. These valuations will be reflected in the Book Value of the equity securities of the Company.

Opinions From Independent Investment Banks or Accounting Firms Are Not Contemplated

The Company is not required to obtain an opinion from an independent investment banking or accounting firm that the price the Company is paying for a particular investment is fair to the Company from a financial point of view. If such opinion is not obtained, holders of Subordinate Voting Shares will be relying on the judgment of the Board and its executive officers, who will determine fair market value based on standards generally accepted by the financial community. Except as required by law, the Company has no intention of obtaining an opinion from an independent investment banking or accounting firm prior to making each of its investments.

Resources Could be Wasted in Researching Investment Opportunities that are not Ultimately Completed

The investigation of each specific investment opportunity and the negotiation, drafting and execution of the relevant agreements, disclosure documents and other instruments requires substantial management time and attention and substantial costs for accountants, lawyers and others. In the event that the Company elects not to complete a specific investment, the costs incurred up to that point for the proposed transaction are not likely to be recoverable by the Company. Furthermore, in the event the Company reaches an agreement relating to a specific investment, it may fail to complete such an investment for any number of reasons, including those beyond the Company's control. Any such occurrence will likely also result in a loss to the Company of the related costs incurred for accountants, lawyers and others.

Material, Non-Public Information

The Company may substantially participate in, or influence the conduct, affairs or management of, a Portfolio Company. Directors, officers, employees, designees, associates or affiliates of the Company may, from time to time, serve as directors of, or in a similar capacity with, a Portfolio Company. By reason of their responsibilities in connection with these and other activities, certain Company personnel may acquire confidential and/or material non-public information or be restricted from initiating transactions in certain securities. The Company will not be free to act upon any such information. In addition, these individuals may become subject to trading restrictions pursuant to the internal trading policies of such businesses. Due to these restrictions, the Company may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Illiquid Assets

In accordance with the Company's business objective and investment strategies, the Company will invest in securities of small cap companies and private issuers that are either thinly traded or have no market at all. It is possible that the Company may not be able to sell portions of such positions without facing substantially adverse prices, or may be required to sell such securities before their intended investment horizon, which could negatively impact the performance of investments and the Company's financial condition, profitability and cash flows.

Competitive Market for Investment Opportunities

The Company competes with a large number of other investors, such as private equity funds, mezzanine funds, investment banks and other equity and non-equity based public and private investment funds, and other sources of financing, including traditional financial services companies, such as commercial banks. Competitors may have a lower cost of funds and may have access to funding sources that are not available to the Company. In addition, certain competitors of the Company may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships and build their respective market shares. There can be no assurance that the competitive pressures faced by the Company will not have a material adverse effect on its activities, financial condition and results of operations. In addition, as a result of this competition, the Company may not be able to take advantage of attractive investment opportunities from time to time and there can be no assurance that it will be able to identify and make investments.

The success of the Company will depend on the availability of appropriate investment opportunities and the ability of the Company to identify and source those investments. As noted above, the Company will be competing with private equity funds, as well as mezzanine funds, institutional investors and, potentially, strategic investors, for prospective investments. As a result of this competition, there can be no assurance that the Company will be able to locate suitable additional investment opportunities, acquire such investments on acceptable terms, or achieve an acceptable rate of return.

Competition and Technology Risks

The Company may hold investments in the securities of businesses that face intense competitive pressures within the markets in which they operate. Many factors, including market and technological changes, may erode the competitive advantages of the businesses in which the Company invests. Accordingly, the Company's future operating results will depend, to a degree, on whether or not those businesses are successful in protecting or enhancing their competitive positioning.

Use of Leverage

The Company may borrow up to an amount not exceeding 25% of the Total Assets, measured at the time of borrowing. If the aggregate borrowings exceed at any time 35% of the Total Assets for a period exceeding six months, the Company will take steps to reduce indebtedness in an orderly manner as soon as practicable thereafter. The risk to Shareholders may increase if investments purchased with borrowed money decline in value. While the use of leverage can increase the rate of return, it can also increase the magnitude of loss in unprofitable positions beyond the loss which would have occurred if there had been no borrowings. The interest expense and other costs incurred in connection with such borrowing may not be recovered by appreciation in the securities purchased or carried. Leveraging will thus tend to magnify the losses or gains from investment activities.

If at any time an amount owed is called by a lender, the Company may be required to liquidate its investments to comply with the restriction or to repay the indebtedness. Such sales may occur at a time when the market for the securities in the portfolio is depressed, affecting the value of the portfolio and the return to the Company. In addition, the Company may not be able to renew loan facilities on acceptable terms.

There can be no assurance that the borrowing strategy employed by the Company will enhance returns, and it may, in fact, reduce returns.

Investing in Leveraged Businesses

The Company may invest in highly leveraged businesses which involves a high degree of risk and will increase the exposure of the Company to adverse economic factors, such as downturns in the economy or deteriorations in the condition of the business in which the Company invests or its industry. In the event that any such business in which the Company invests cannot generate adequate cash flow to meet its debt service obligations, the Company may suffer a partial or total loss of capital invested in such business. Such an occurrence may materially adversely affect the Company's return on its investment.

Credit Risk

Credit risk is the risk of a financial loss occurring as a result of default of a counterparty on its obligations to the Company. The Company may be subject to credit risk on its financial assets, including loans receivable and corporate debt investments, such as bonds.

Tax Risks

There can be no assurances that the tax laws applicable to the Company under the Tax Act or under foreign tax regimes will not be changed in a manner which could adversely affect the Company's operating results or profitability.

Regulatory Changes

Certain industries, such as financial services, health care, and telecommunications, remain heavily regulated and may be more susceptible to an acceleration in regulatory initiatives in Canada and abroad. Investments in these sectors may be substantially affected by changes in government policy, and the

Company cannot predict whether or not such changes will have a material adverse impact on the Company's investments or Company profitability.

Significant Shareholder

FII, a corporation wholly-owned by Federated Capital, currently holds shares representing 94.5% of the voting rights attached to all of the Company's outstanding voting securities and 63.4% of the equity of the Company, prior to the exercise of the Founder Warrants. In addition, Blair Driscoll, a director and the Chief Executive Officer of the Company, is the President and Chief Executive Officer of FII. Accordingly, Federated Capital and Blair Driscoll may have the ability to substantially influence certain actions requiring Shareholder approval, including (as applicable) approving a business combination or consolidation, liquidation or sale of assets, electing members of the Board, and adopting amendments to the articles of incorporation and by-laws of the Company.

Conflicts of Interest and Overlap with Federated Capital

Certain of the directors and officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other corporations or may become aware of business opportunities which may be appropriate for presentation to the Company and to other entities to which these directors and officers of the Company owe similar or other duties. As a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest or be perceived to be in a conflict of interest.

Specifically, Blair Driscoll, a director and the Chief Executive Officer of the Company, has been the Co-Chief Executive Officer, Vice-President and a director of Federated Capital since October 2017. Edward Merchand, the Chief Financial Officer of the Company, has been the Treasurer of Federated Capital since April 2018. Ryan Caughey, the General Counsel and Corporate Secretary of the Company, has been the General Counsel of Federated Capital since November 2018. As a result of these engagements, each of Blair Driscoll, Edward Merchand and Ryan Caughey, could be perceived to be in a conflict of interest in relation to each individual's respective duties as an officer of the Company (or as a director, in the case of Blair Driscoll).

The directors are bound by the provisions of the CBCA which states that in exercising their powers and in discharging their duties they shall act honestly and in good faith with a view to the best interests of the Company. Further, the Company will adopt procedures for checking for potential conflicts of interest prior to making any investment commitment to address and minimize any conflicts of interest. In particular, the Company has entered into the Letter Agreement with Federated Capital to govern the allocation of business opportunities between the parties in respect of certain investment opportunities and dispositions. For more details regarding this agreement please see "*Conflicts of Interest – Agreements between the Company, FII and Federated Capital – Allocation of Investment Opportunities*".

Use of Custodian and/or Broker to Hold Assets

Some or all of the assets of the Company may be held in one or more margin accounts maintained by the Custodian. The Custodian or a broker appointed by the Company may also lend, pledge or hypothecate the assets of the Company. The Company may experience losses due to insufficient assets of the Custodian or such broker to satisfy the claims of its creditors, and adverse market movements while its positions cannot be traded, and which would adversely affect the total return to the Company.

Risk Factors Related to the Subordinate Voting Shares and the Founder Warrants

Potential Volatility of Subordinate Voting Share and the Founder Warrant Price

The market price for Subordinate Voting Shares and Founder Warrants may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control,

including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of its underlying investments; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) additions or departures of any of the Company's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding Multiple Voting Shares; (vi) sales or perceived sales of additional Multiple Voting Shares, Subordinate Voting Shares or Founder Warrants; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues affecting the Company's industry, target markets or the global economy in general.

Financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Subordinate Voting Shares and the Founder Warrants may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations and the trading price of the Subordinate Voting Shares and the Founder Warrants may be materially adversely affected.

Dilution

Where, in the opinion of the Board and management of the Company, additional capital is necessary or desirable to carry on the investment activities of the Company, the Company may create and issue additional securities at a price and otherwise on terms and conditions determined by the Board. Depending on the price at which such additional securities of the Company are offered for sale, the issuance of such additional securities may have a dilutive effect on the interests of Shareholders. The number of Multiple Voting Shares and Subordinate Voting Shares that the Company is authorized to issue is unlimited. The Shareholders do not have any pre-emptive rights. The Company may, in its sole discretion, issue additional Multiple Voting Shares, Subordinate Voting Shares, Founder Warrants or other securities (including preferred shares) from time to time (including pursuant to the Long-Term Incentive Plan and any equity-based compensation plans that may be introduced in the future), and the interests of Shareholders may be diluted thereby. Further, the Company may from time to time finance portfolio investments using the Company's capital structure, including issuing Subordinate Voting Shares, to Portfolio Companies. This will dilute the interests of Shareholders.

In creating and issuing additional securities of the Company, the Board will comply with the requirements of applicable securities law and the TSX and will act in accordance with its fiduciary duties as directors.

Market Discount

The price of the Subordinate Voting Shares and the Founder Warrants will fluctuate with market conditions and other factors. If a holder of Subordinate Voting Shares and/or Founder Warrants sells its Subordinate Voting Shares and/or Founder Warrants, the price received may be more or less than the original investment. The Subordinate Voting Shares and/or Founder Warrants may trade at a discount from their book value.

Limited Control and Voting Power

Holders of Subordinate Voting Shares and Founder Warrants will have limited control over changes in the Company's policies and operations, which increases the uncertainty and risks of an investment in the Company. The Board will determine major policies, including policies regarding financing, growth, debt capitalization and any future dividends to Shareholders. Generally, the Board may amend or revise these and other policies without a vote of the holders of Subordinate Voting Shares and Founder Warrants. Holders of Subordinate Voting Shares will only have a right to vote, as a class, in the limited circumstances described elsewhere in this annual information form. Holders of Founder Warrants will not have any rights to vote (except in the case of an amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of Founder Warrants as described elsewhere in this annual information form), and consequently, the approval of holders of Founder Warrants will not be required for the taking of any corporate action. The Board's broad discretion in setting policies and the limited ability of holders of Subordinate Voting Shares and the Founder Warrants to exert control over those policies increases the uncertainty and risks of an investment in the Company.

Further, the different voting rights of the Subordinate Voting Shares and Multiple Voting Shares could diminish the value of the Subordinate Voting Shares to the extent that investors or any potential future purchasers of Subordinate Voting Shares attribute value to the superior voting or other rights of the Multiple Voting Shares.

The Founder Warrants May Not Be "In The Money"

There can be no assurance that the market price of the Subordinate Voting Shares will exceed the exercise price of the Founder Warrants, being $4.50 per Subordinate Voting Share during the term of the Founder Warrants or, if it does, that such price will be sustained. If the market price of the Subordinate Voting Shares does not exceed the exercise price of the Founder Warrants, holders of Founder Warrants may not be in a position to realize any economic benefit from the Founder Warrants.

Financial Reporting and Other Public Company Requirements

Any failure to maintain effective internal controls could cause the Company to fail to satisfy its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely affected which could also cause investors to lose confidence in the Company's reported financial information, which could result in a reduction in the trading price of the Subordinate Voting Shares and the Founder Warrants.

The Company does not expect that its disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

Broad Discretion Over the Use of the Net Proceeds of the Offerings

Subject to the Voluntary Measures, the Company will have significant discretion as to the use of the Net Proceeds of the Offerings and could spend the proceeds in ways that do not enhance the value of the Subordinate Voting Shares and/or the Founder Warrants. For example, the Company's investment of

the Net Proceeds of the Offerings may not yield a favourable rate of return, or may even be lost in their entirety if the businesses in which the Company invests were to fail.

Not Subject to the SPAC Rules of the TSX

Although the Company has voluntarily adopted certain investor protection measures applicable to Special Purpose Acquisition Corporations (as such term is used in Part X of the *TSX Company Manual*) ("**SPAC**") under the TSX's SPAC rules, the Company is not otherwise subject to such rules and therefore Shareholders will not be afforded certain of the investor protection measures that are required of SPACs, including that (a) Shareholders will not have the right to pre-approve any investments by the Company, and (b) there will be no mechanism for the Company to return funds to Shareholders in the event that any of the Net Proceeds of the Offerings are not deployed within a fixed period of time.

Significant Ownership by FII May Adversely Affect the Market Price of the Subordinate Voting Shares

As stated above, FII, a corporation wholly-owned by Federated Capital, currently holds shares representing 94.5% of the voting rights attached to all of the Company's outstanding voting securities and 63.4% of the equity of the Company, prior to the exercise of the Founder Warrants. In addition, Blair Driscoll, a director and the Chief Executive Officer of the Company, is the President and Chief Executive Officer of FII.

Accordingly, Federated Capital and Blair Driscoll may have the ability to substantially influence certain actions requiring Shareholder approval, including (as applicable) approving a business combination or consolidation, liquidation or sale of assets, electing members of the Board, and adopting amendments to the articles of incorporation and by-laws of the Company.

As a result, the Subordinate Voting Shares and the Founder Warrants may be less liquid and trade at a relative discount compared to such Subordinate Voting Shares and Founder Warrants in circumstances where FII did not have the ability to significantly influence or determine matters affecting the Company. Additionally, FII's significant voting interest in the Company may discourage transactions involving a change of control of the Company, including transactions in which an investor, as a holder of Subordinate Voting Shares and/or Founder Warrants, might otherwise receive a premium for its Subordinate Voting Shares and/or Founder Warrants over the then-current market price.

DESCRIPTION OF SHARE CAPITAL

The following is a summary of the rights, privileges, restrictions and conditions attached to the Subordinate Voting Shares and Multiple Voting Shares and is qualified in its entirety by reference to the full text of the rights, privileges, restrictions and conditions of the Subordinate Voting Shares and Multiple Voting Shares contained in the Company's articles, available under the Company's SEDAR profile at www.sedar.com.

Authorized Share Capital

The authorized capital of the Company currently consists of an unlimited number of Subordinate Voting Shares and Multiple Voting Shares. As of the date of this annual information form, there were 26,971,411 Multiple Voting Shares, 16,059,671 Subordinate Voting Shares issued and outstanding.

The Subordinate Voting Shares are "restricted securities" within the meaning of such term under applicable securities laws in Canada. The terms and conditions of the Subordinate Voting Shares and the Multiple Voting Shares are substantially identical with the exception of the voting and conversion rights attached to the Multiple Voting Shares as described below. As at the date hereof, the issued and outstanding Subordinate Voting Shares represent approximately 5.6% of the voting rights attached to all of the Company's outstanding voting securities.

As at the date hereof, the Multiple Voting Shares and Subordinate Voting Shares to be held by FII collectively represent approximately 94.5% of the voting rights attached to all of the Company's outstanding voting securities and 63.4% of the equity of the Company, prior to the exercise of the Founder Warrants.

Rank

The Subordinate Voting Shares and the Multiple Voting Shares shall be subject to and subordinate to the rights, privileges, restrictions and conditions attaching to any class of shares ranking senior to the Multiple Voting Shares and the Subordinate Voting Shares and will rank *pari passu* with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding-up of the Company.

Liquidation, Dissolution or Winding-up

In the event of the liquidation, dissolution or winding-up of the Company or any other distribution of its assets among its Shareholders for the purpose of winding-up its affairs, whether voluntarily or involuntarily, the holders of Subordinate Voting Shares and the holders of Multiple Voting Shares are entitled to participate equally in the remaining properties and assets of the Company available for distribution to the holders of shares, without preference or distinction among or between the Subordinate Voting Shares and the Multiple Voting Shares, subject to the rights of the holders of any shares ranking senior to the Multiple Voting Shares and the Subordinate Voting Shares.

Dividends

The holders of Subordinate Voting Shares and Multiple Voting Shares are entitled to receive dividends on a share for share basis at such times and in such amounts and form as the Board may from time to time determine, but subject to the rights of the holders of any shares ranking senior to the Multiple Voting Shares and the Subordinate Voting Shares, without preference or distinction among or between the Subordinate Voting Shares and the Multiple Voting Shares. The Company is permitted to pay dividends unless there are reasonable grounds for believing that: (i) the Company is, or would after such payment be, unable to pay the Company's liabilities as they become due; or (ii) the realizable value of the Company's assets would, as a result of such payment, be less than the aggregate of the Company's liabilities. In the event of a payment of a dividend in the form of shares, Subordinate Voting Shares will be distributed with respect to outstanding Subordinate Voting Shares and Multiple Voting Shares will be distributed with respect to outstanding Multiple Voting Shares, unless otherwise determined by the Board.

Voting Rights

Holders of Subordinate Voting Shares are entitled to one vote per Subordinate Voting Share and holders of Multiple Voting Shares are entitled to 10 votes per Multiple Voting Share on all matters upon which Shareholders are entitled to vote. The holders of Subordinate Voting Shares and the holders of Multiple Voting Shares will vote together as a single class, except as otherwise expressly provided in the Company's articles or as provided by law.

Conversion

The Subordinate Voting Shares are not convertible into any other class of shares. Each outstanding Multiple Voting Share may at any time, at the option of the holder, be converted into one Subordinate Voting Share. In addition, upon the first date that a Multiple Voting Share is Transferred by a holder of Multiple Voting Shares, other than to a Permitted Holder, the holder thereof, without any further action, shall automatically be deemed to have exercised his, her or its rights to convert such Multiple Voting Share into a Subordinate Voting Share on a share for share basis.

In addition, all Multiple Voting Shares, regardless of the holder thereof, will convert automatically into Subordinate Voting Shares immediately following the earlier to occur of: (a) Permitted Holders that hold

Multiple Voting Shares no longer as a group beneficially own, directly or indirectly, and in the aggregate, at least 10% of the issued and outstanding Subordinate Voting Shares and Multiple Voting Shares on a non-diluted basis; or (b) none of Merrilyn Driscoll, her spouse or her children hold a position as a director or member of senior management of the Company.

On such conversion, the authorized and unissued Multiple Voting Shares as a class will be deleted entirely from the authorized capital of the Company, together with the rights, privileges, restrictions and conditions attaching thereto.

For the purposes of the foregoing:

"**Members of the Immediate Family**" means with respect to any individual, each parent (whether by birth or adoption), spouse, child (including any step-child) or other descendants (whether by birth or adoption) of such individual, each spouse of any of the aforementioned Persons, each trust created solely for the benefit of such individual and/or one or more of the aforementioned Persons, and each legal representative of such individual or of any aforementioned Persons (including without limitation a tutor, curator, mandatary due to incapacity, custodian, guardian or testamentary executor), acting in such capacity under the authority of the law, an order from a competent tribunal, a will or a mandate in case of incapacity or similar instrument. For the purposes of this definition, a Person shall be considered the spouse of an individual if such Person is legally married to such individual, lives in a civil union with such individual or is the common law partner (as defined in the Tax Act) of such individual. A Person who was the spouse of an individual within the meaning of this paragraph immediately before the death of such individual shall continue to be considered a spouse of such individual after the death of such individual;

"**Permitted Holders**" means, (i) Merrilyn Driscoll and any Members of the Immediate Family of Merrilyn Driscoll; and (ii) any Person controlled, directly or indirectly, by one or more Persons referred to in clause (i);

"**Person**" means any individual, partnership, corporation, company, association, trust, joint venture or limited liability company;

"**Transfer**" of a Multiple Voting Share shall mean any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law. A "Transfer" shall also include, without limitation, (1) a transfer of a Multiple Voting Share to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership) or (2) the transfer of, or entering into a binding agreement with respect to, Voting Control over a Multiple Voting Share by proxy or otherwise, provided, however, that the following shall not be considered a "Transfer": (a) the grant of a proxy to the directors and the officers Company at the request of the Board in connection with actions to be taken at an annual or special meeting of Shareholders; or (b) the pledge of a Multiple Voting Share that creates a mere security interest in such share pursuant to a *bona fide* loan or indebtedness transaction so long as the holder of the Multiple Voting Share continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such Multiple Voting Share or other similar action by the pledgee shall constitute a "Transfer";

"**Voting Control**" with respect to a Multiple Voting Share means the exclusive power (whether directly or indirectly) to vote or direct the voting of such Multiple Voting Share by proxy, voting agreement or otherwise; and

A Person is "**controlled**" by another Person or other Persons if: (i) in the case of a company or other body corporate wherever or however incorporated: (A) securities entitled to vote in the election of directors carrying in the aggregate at least a majority of the votes for the election of directors and representing in the aggregate at least a majority of the participating (equity) securities are held, other than by way of security only, directly or indirectly, by or solely for the benefit of the other Person or Persons; and (B) the votes carried in the aggregate by such securities are entitled, if exercised, to elect a majority of the board of directors of such company or other body corporate; or (ii) in the case of a Person that is not a

company or other body corporate, at least a majority of the participating (equity) and voting interests of such Person are held, directly or indirectly, by or solely for the benefit of the other Person or Persons; and "controls", "controlling" and "under common control with" shall be interpreted accordingly.

Subdivision or Consolidation

No subdivision or consolidation of the Subordinate Voting Shares or the Multiple Voting Shares may be carried out unless, at the same time, the Multiple Voting Shares or the Subordinate Voting Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis.

Certain Class Votes

Except as required by the CBCA, applicable securities laws or the Company's articles, holders of Subordinate Voting Shares and Multiple Voting Shares will vote together on all matters subject to a vote of holders of both classes of shares as if they were one class of shares. Under the CBCA, certain types of amendments to the Company's articles are subject to approval by a "special resolution", as such term is defined under the CBCA, of the holders of the Company's classes of shares voting separately as a class, including amendments to:

- change the rights, privileges, restrictions or conditions attached to the shares of that class;
- increase the rights or privileges of any class of shares having rights or privileges equal or superior to the shares of that class; and
- make any class of shares having rights or privileges inferior to the shares of such class equal or superior to the shares of that class.

Without limiting other rights at law of any holders of Subordinate Voting Shares or Multiple Voting Shares to vote separately as a class, neither the holders of the Subordinate Voting Shares nor the holders of the Multiple Voting Shares are entitled to vote separately as a class upon a proposal to amend the Company's articles in the case of an amendment to (a) increase or decrease any maximum number of authorized shares of such class, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the shares of such class; or (b) create a new class of shares equal or superior to the shares of such class, which rights are otherwise provided for in paragraphs (a) and (e) of subsection 176(1) of the CBCA. Pursuant to the Company's articles, neither holders of Subordinate Voting Shares nor holders of Multiple Voting Shares will be entitled to vote separately as a class on a proposal to amend the Company's articles to effect an exchange, reclassification or cancellation of all or part of the shares of such class pursuant to subsection 176(1)(b) of the CBCA unless such exchange, reclassification or cancellation: (a) affects only the holders of that class; or (b) affects the holders of Subordinate Voting Shares and Multiple Voting Shares differently, on a per share basis, and such holders are not already otherwise entitled to vote separately as a class under applicable law or the Company's articles in respect of such exchange, reclassification or cancellation.

Pursuant to the Company's articles, holders of Subordinate Voting Shares and Multiple Voting Shares are treated equally and identically, on a per share basis, in certain change of control transactions that require approval of shareholders under the CBCA, unless different treatment of the shares of each such class is approved by a majority of the votes cast by the holders of Subordinate Voting Shares and Multiple Voting Shares, each voting separately as a class at a meeting of the holders of that class called and held for such purpose.

Coattail Agreement

Under applicable Canadian law, an offer to purchase Multiple Voting Shares would not necessarily require that an offer be made to purchase Subordinate Voting Shares.

In accordance with the policies of the Canadian stock exchanges, designed to ensure that, in the event of a take-over bid, the holders of Subordinate Voting Shares will be entitled to participate on an equal footing with holders of Multiple Voting Shares, on December 17, 2018, FII, as the owner of all the outstanding Multiple Voting Shares, entered into a customary coattail agreement with the Company and Computershare Trust Company of Canada, acting as trustee (the "**Trustee**"), for the benefit of the holders of Subordinate Voting Shares (the "**Coattail Agreement**").

The Coattail Agreement contains provisions customary for dual class, listed corporations designed to prevent transactions that otherwise would deprive the holders of Subordinate Voting Shares of rights under the take-over bid provisions of applicable Canadian securities legislation to which they would have been entitled if the Multiple Voting Shares had been Subordinate Voting Shares.

The undertakings in the Coattail Agreement do not apply to prevent a sale of Multiple Voting Shares by a holder of Multiple Voting Shares who is a party to the Coattail Agreement if concurrently an offer is made to purchase Subordinate Voting Shares that:

(a) offers a price per Subordinate Voting Share at least as high as the highest price per share paid or required to be paid pursuant to the take-over bid for the Multiple Voting Shares;

(b) provides that the percentage of outstanding Subordinate Voting Shares to be taken up (exclusive of Subordinate Voting Shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of outstanding Multiple Voting Shares to be sold (exclusive of Multiple Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);

(c) has no condition attached other than the right not to take up and pay for Multiple Voting Shares tendered if no Subordinate Voting Shares are purchased pursuant to the offer for Multiple Voting Shares; and

(d) is in all other material respects identical to the offer for Multiple Voting Shares.

In addition, subject to the provisions of the Company's articles, the Coattail Agreement does not prevent the sale of Multiple Voting Shares by a holder thereof to a Permitted Holder, provided such sale does not or would not constitute a take-over bid or, if so, is exempt or would be exempt from the formal bid requirements (as defined in applicable securities legislation). The conversion of Multiple Voting Shares into Subordinate Voting Shares, will not, in of itself, constitute a sale of Multiple Voting Shares for the purposes of the Coattail Agreement.

Under the Coattail Agreement, any sale of Multiple Voting Shares (including a Transfer to a pledgee as security) by a holder of Multiple Voting Shares who is a party to the Coattail Agreement will be conditional upon the transferee or pledgee becoming a party to the Coattail Agreement, to the extent such Transferred Multiple Voting Shares are not automatically converted into Subordinate Voting Shares in accordance with the Company's articles.

The Coattail Agreement contains provisions for authorizing action by the Trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Subordinate Voting Shares. The obligation of the Trustee to take such action is conditional on the Company or holders of the Subordinate Voting Shares providing such funds and indemnity as the Trustee may require. No holder of Subordinate Voting Shares has the right, other than through the Trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the Trustee fails to act on a request authorized by holders of not less than 10% of the outstanding Subordinate Voting Shares and reasonable funds and indemnity have been provided to the Trustee.

The Coattail Agreement provides that it may not be amended, and no provision thereof shall be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a)

the consent of the TSX and any other applicable securities regulatory authorities in Canada; and (b) the approval of at least two-thirds of the votes cast by holders of Subordinate Voting Shares present or represented at a meeting duly called for the purpose of considering such amendment or waiver, excluding votes attached to any Subordinate Voting Shares held directly or indirectly by holders of Multiple Voting Shares, their affiliates and related parties and any persons who have an agreement to purchase Multiple Voting Shares on terms which would constitute a sale for the purposes of the Coattail Agreement, other than as permitted therein, prior to giving effect to such amendment or waiver.

No provision of the Coattail Agreement limits the rights of any holders of Subordinate Voting Shares under applicable law.

Founder Warrants

The following is a summary of certain attributes of the Founder Warrants and refers to the Warrant Indenture. The following summary of certain provisions of the Warrant Indenture does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture, a copy of which is available under the Company's SEDAR profile at www.sedar.com.

Each Founder Warrant entitles the holder to acquire, subject to adjustment in certain circumstances, one Subordinate Voting Share at an exercise price of $4.50 per share, at any time prior to 4:00 p.m. (Toronto time) on November 21, 2021 (the "**Expiry Time**") in accordance with the terms of a Warrant Indenture and as more fully described below. Following the Expiry Time, the Founder Warrants will be deemed to have expired and become void. The Founder Warrants are exercisable, at the option of each holder, in whole or in part, by payment in full of the aggregate exercise price payable in cash for the number of Subordinate Voting Shares purchased upon such exercise.

The Founder Warrants are governed by the terms and conditions as set forth in a warrant indenture (the "**Warrant Indenture**") between the Company and Computershare Trust Company of Canada (the "**Warrant Agent**"). The Warrant Agent will serve as agent for the holder of Founder Warrants in its Toronto office, where the Founder Warrants can be surrendered for exercise or exchange. The Founder Warrants comprising the Units were issued and deposited in electronic form with CDS or its nominee pursuant to the book-based securities system administered by CDS. Certificates evidencing the Subordinate Voting Shares and the Founder Warrants comprising the Units will not be issued to purchasers.

The Warrant Indenture provides for adjustment in the number of Subordinate Voting Shares issuable upon the exercise of the Founder Warrants and/or exercise price of the Founder Warrant upon the occurrence of certain events, including:

(a) the issuance of Subordinate Voting Shares or securities exchangeable for, or convertible into, Subordinate Voting Shares to all or substantially all of the holders of Subordinate Voting Shares by way of a stock dividend or other distribution (other than a distribution of Subordinate Voting Shares upon the exercise of Founder Warrants or any outstanding options);

(b) the subdivision, re-division or change to the outstanding Subordinate Voting Shares into a greater number of Subordinate Voting Shares;

(c) the reduction, combination or consolidation of the outstanding Subordinate Voting Shares into a lesser number of Subordinate Voting Shares;

(d) the issuance to all or substantially all of the holders of Subordinate Voting Shares of rights, options or warrants under which such holders are entitled, for a period expiring not more than 90 days after the record date for such issuance, to subscribe for or purchase Subordinate Voting Shares, or securities exchangeable for or convertible into Subordinate Voting Shares, at a price per Subordinate Voting Share to the holder (or at an exchange or conversion price per Subordinate

Voting Share) of less than 95% of the "Current Market Price", as defined in the Warrant Indenture, for the Subordinate Voting Shares on such record date; and

(e) the issuance or distribution to all or substantially all of the holders of Subordinate Voting Shares of securities of any class of the Company or any other person (other than Subordinate Voting Shares), rights, options or warrants to subscribe for or purchase Subordinate Voting Shares or securities exchangeable or convertible into Subordinate Voting Shares, other than pursuant to a Rights Offering or Subordinate Voting Share Reorganization, in each case as defined in the Warrant Indenture, or evidences of indebtedness or any property or other assets.

The Warrant Indenture also provides for adjustment in the class and/or number of securities issuable upon the exercise of the Founder Warrants and/or exercise price per security in the event of the following additional events:

(a) reclassifications of the Subordinate Voting Shares or a capital reorganization of the Company (other than as described in clauses (a) to (c) above);

(b) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another body corporate, trust, partnership or other entity; or

(c) the sale or conveyance of the property and assets of the Company as an entirety or substantially as an entirety to another body corporate, trust, partnership or other entity.

No adjustment in the exercise price will be required to be made unless such adjustment would change the exercise price by at least 1%.

No fractional Subordinate Voting Shares will be issuable upon the exercise of any Founder Warrants, and no cash or other consideration will be paid in lieu of fractional Subordinate Voting Shares. Holders of Founder Warrants do not have any voting rights or any other rights which a holder of Subordinate Voting Shares would have.

The Warrant Indenture provides that, from time to time, the Company and the Warrant Agent, without the consent of the holders of Founder Warrants, may supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Founder Warrants. Any supplement to the Warrant Indenture that adversely affects the interests of the holders of the Founder Warrants may only be made by an "Extraordinary Resolution", defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the Registered Warrantholders (as defined in the Warrant Indenture) at which there are present in person or by proxy Registered Warrantholders holding at least 25% of the aggregate number of Subordinate Voting Shares that could be acquired pursuant to all the then outstanding Founder Warrants and passed by the affirmative vote of Registered Warrantholders holding not less than $66^{2}/_{3}$% of the aggregate number of Subordinate Voting Shares that could be acquired pursuant to all the then outstanding Founder Warrants at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the Registered Warrantholders representing not less than $66^{2}/_{3}$% of the aggregate number of all the then outstanding Founder Warrants.

The Founder Warrants may not be exercised directly or indirectly by any U.S. Person or any other person while in the United States.

PRINCIPAL SHAREHOLDER AND FEDERATED CAPITAL

Fax Investments Inc.

Concurrently with the completion of the Offering, FII subscribed, on a private placement basis, for the Substantial Equity Investment, being 26,671,110 Multiple Voting Shares for an aggregate purchase

price of $120,019,995.00. The Multiple Voting Shares purchased by FII are subject to a four month hold and FII did not receive any Founder Warrants as part of its subscription for Multiple Voting Shares. See "*Description of Share Capital – Authorized Share Capital*" for additional details on FII's holdings.

The funding for the Substantial Equity Investment was obtained through an investment by Federated Capital in FII, pursuant to which Federated Capital became the sole shareholder of FII. Federated Capital is a private single family office operated for the benefit of the family of John F. Driscoll.

The following table shows the names of the persons or companies who, as at the date of this annual information form, will own of record, or who, to the Company's knowledge, will beneficially own, control or direct (directly or indirectly), more than 10% of any class or series of the Company's voting securities.

Name	Number and Type of Securities Owned	Percentage of Outstanding Securities
Fax Investments Inc.	299,247 Subordinate Voting Shares[(1)]	1.86% of the outstanding Subordinate Voting Shares
	26,971,411 Multiple Voting Shares	100% of the outstanding Multiple Voting Shares

Notes:

(1) Prior to the exercise of any Founder Warrants. On a fully diluted basis, FII held 1.86% of the outstanding Subordinate Voting Shares.

As at the date of this annual information form, other than FII, no person or company beneficially owns, controls or directs (directly or indirectly), any Multiple Voting Shares.

Federated Capital Corp.

Federated Capital is a private single family office operated for the benefit of the family of John F. Driscoll and is focused on investments in public and private corporations across a broad range of industries and sectors. Seventy percent of the common shares of Federated Capital are held in a family trust for the benefit of Merrilyn Driscoll and her two children, with Merrilyn Driscoll as the trustee. The remaining 30% of the common shares of Federated Capital are held 15% by each of her two children. Voting control of Federated Capital is indirectly held equally by the two children, with Merrilyn Driscoll having a deciding vote in the event the vote is deadlocked.

Blair Driscoll, a director and the Chief Executive Officer of the Company, has been the Co-Chief Executive Officer and Vice-President and a director of Federated Capital since October 2017. Edward Merchand, the Chief Financial Officer of the Company, has been the Treasurer of Federated Capital since April 2018. Ryan Caughey, the General Counsel and Corporate Secretary of the Company, has been the General Counsel of Federated Capital since November 2018. Merrilyn Driscoll and Blair Driscoll are the directors of Federated Capital. Blair Driscoll, Edward Merchand and Ryan Caughey, have agreed to devote sufficient time and attention to the business and affairs of the Company as reasonably necessary to discharge their duties as directors and/or officers of the Company and to meet the Company's business objective. See "*Conflicts of Interest*" for further information.

MARKET FOR SECURITIES

Trading Price and Volume

The Subordinate Voting Shares were listed on the CSE from February 1, 2019 until trading was voluntarily halted and the Subordinate Voting Shares delisted at the close of business on November 21, 2019. On November 21, 2019, the Subordinate Voting Shares began trading on the TSX under the trading symbol "FXC". The following table sets forth the reported high and low prices and the monthly trading

volume for the Subordinate Voting Shares for each month since the Subordinate Voting Shares began trading on the CSE. The trading price and volume numbers below for the Subordinate Voting Shares have been adjusted for the period prior to November 21, 2019, to give effect to the Share Consolidation.

	Exchange	High ($)	Low ($)	Monthly Volume
February 2019	CSE	3.33	1.51	33,756
March 2019	CSE	2.40	1.73	46,489
April 2019	CSE	3.81	2.40	54,909
May 2019	CSE	4.45	3.51	2,026
June 2019	CSE	5.50	4.35	13,100
July 2019	CSE	5.75	5.30	1,700
August 2019	CSE	5.75	5.50	1,436
September 2019	CSE	6.25	5.50	1,640
October 2019	CSE	5.15	5.15	632
November 1 – 20, 2019	CSE	4.95	4.95	10,600
November 21 – 30, 2019	TSX	4.34	4.11	137,565
December 2019	TSX	4.15	3.95	314,550

The Company's Founder Warrants began trading on the TSX on November 21, 2019 under the trading symbol "FXC.WT". The following table sets forth the reported high and low prices and the monthly trading volume for the Founder Warrants for each month since they began trading.

	High ($)	Low ($)	Monthly Volume
November 21 – 30, 2019	0.30	0.20	206,100
December 2019	0.26	0.21	234,612

Prior Sales

The following table contains details of the prior issuance of securities of the Company that are not listed or quoted on a marketplace for the most recently completed financial year ended December 31, 2019. The securities listed below were issued as part of the Substantial Equity Investment (see "*General Development of the Business*" and "*Principal Shareholder and Federated Capital*").

Date of Issue	Description	Number and Type of Security	Price Per Security	Aggregate Price	Consideration
November 21, 2019	Private Placement	26,671,110 Multiple Voting Shares	$4.50	$120,019,995.00	Cash

ESCROWED SECURITIES AND RESALE RESTRICTIONS

In connection with the Change of Business, FII entered into an escrow agreement dated January 31, 2019 (the "**Escrow Agreement**"), with Computershare Trust Company of Canada (the "**Escrow Agent**"), acting as escrow agent, pursuant to which 1,496,237 Subordinate Voting Shares and 1,501,502 Multiple Voting Shares were placed into escrow, which were consolidated into 299,247 Subordinate Voting Shares and 300,300 Multiple Voting Shares pursuant to the Share Consolidation. Forty percent (40%) of such securities have been released from escrow and the remaining 60% of such securities will be released from escrow in 15% tranches during consecutive 6-month intervals over a 36-month period.

Further, as a part of the Voluntary Measures that were adopted in connection with the Offering, FII has agreed:

(a) to retain 100% of the aggregate number of Multiple Voting Shares and Subordinate Voting Shares held by it upon the completion of the Offering and the Substantial Equity Investment until after November 21, 2021 and to retain at least 25% of the aggregate number of such Subordinate Voting Shares and Multiple Voting Shares held by it upon completion of the Offering and the Substantial Equity Investment until after November 21, 2022, provided that at any time (i) FII may transfer any of its Multiple Voting Shares to a Permitted Holder that provides a similar undertaking; and (ii) FII may transfer any of its Multiple Voting Shares or any of its Subordinate Voting Shares in a transaction where the proposed acquirer agrees, to acquire a *pro rata* share of the equity investment of all other equity investors of the Company; and

(b) not to transfer any of the Multiple Voting Shares (other than to a Permitted Holder that provides a similar undertaking) and any of the Subordinate Voting Shares held by it upon the completion of the Offering and the Substantial Equity Investment until at least 80% of the Net Proceeds of the Offerings have been invested in accordance with the Company's business objective and investment strategies.

The following table sets forth the number of securities of each class of securities of the Company held in escrow (which includes securities subject to pooling arrangements) or subject to a contractual restriction on transfer as at December 31, 2019 and the percentage that number represents of the outstanding securities of that class:

Designation of class	Number of securities held in escrow or that are subject to a contractual or voluntary restriction on transfer	Percentage of class
Subordinate Voting Shares	224,436	1.40%
Multiple Voting Shares[(1)]	225,225[(2)]	0.83%

Notes:

(1) Each Multiple Voting Share is convertible into one Subordinate Voting Share. Upon the conversion of such share into a Subordinate Voting Share, such Subordinate Voting Share will also be subject to the form of escrow agreement prescribed by NP 46-201.

(2) Such shares are held by FII. Although the Multiple Voting Shares subscribed for pursuant to the Substantial Equity Investment are not subject to the form of escrow agreement prescribed by NP 46-201, they will be subject to voluntary restrictions on transfer as part of the Voluntary Measures.

DIRECTORS AND OFFICERS

Directors and Executive Officers

The Board is comprised of five directors, the majority of whom are independent under Canadian securities laws. The following table sets forth the name, province and country of residence of each director and executive officer of the Company; their respective positions and offices held with the Company; their principal occupations during the previous five years; and the number of securities beneficially owned, controlled or directed, as at the date of this annual information form. Each director holds office until the Company's next annual general meeting or until a successor is duly elected or appointed.

Name, Province or State and Country of Residence	Position/Title	Independent	Date Elected or Appointed	Principal Occupation (Current)	Number of Securities Beneficially Owned, Controlled or Directed
John F. Driscoll Ontario, Canada	Director and Chair	No[4]	January 17, 2019	Director and Chair, FAX Capital Corp.	Nil
Frank Potter [1] Ontario, Canada	Lead Director	Yes	May 30, 2018	Director, FAX Capital Corp.	20,000 Subordinate Voting Shares 10,000 Founder Warrants
Blair Driscoll Ontario, Canada	Director and Chief Executive Officer	No[5]	May 30, 2018	Director and Chief Executive Officer, FAX Capital Corp. Director, Vice-President and Co-Chief Executive Officer, Federated Capital Corp.	609,247 Subordinate Voting Shares[6] 26,971,411 Multiple Voting Shares[7] 310,000 Founder Warrants
Edward Jackson[2] Ontario, Canada	Director	Yes	November 23, 2018	Director, FAX Capital Corp.	30,000 Subordinate Voting Shares 30,000 Founder Warrants
Paul Gibbons[3] Ontario, Canada	Director	Yes	December 17, 2018	Director, FAX Capital Corp.	55,556 Subordinate Voting Shares 55,556 Founder Warrants
Edward Merchand Ontario, Canada	Chief Financial Officer	N/A	May 30, 2018	Chief Financial Officer, FAX Capital Corp. Treasurer, Federated Capital Corp.	Nil
Ryan Caughey Ontario, Canada	General Counsel and Corporate Secretary	N/A	January 17, 2019	General Counsel and Corporate Secretary, FAX Capital Corp. General Counsel, Federated Capital Corp.	Nil

Notes:

(1) Member of the Audit Committee and Governance, Compensation and Nominating Committee.

(2) Chair of the Governance, Compensation and Nominating Committee and a member of the Audit Committee.

(3) Chair of the Audit Committee and a member of the Governance, Compensation and Nominating Committee.

(4) John F. Driscoll is the father of Blair Driscoll, the Chief Executive Officer of the Company.

(5) Blair Driscoll is the President and Chief Executive Officer of FII.

(6) Comprised of 310,000 Subordinate Voting Shares held directly by Blair Driscoll and 299,247 Subordinate Voting Shares held by FII, of which Blair Driscoll is a director and the President and Chief Executive Officer.

(7) Held by FII, of which Blair Driscoll is a director and the President and Chief Executive Officer.

As of the date hereof and excluding the Multiple Voting Shares and Subordinate Voting Shares held by FII, to the Company's knowledge, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, approximately 415,556 Subordinate Voting Shares (representing 2.59% of the outstanding Subordinate Voting Shares) and no Multiple Voting Shares.

Director and Executive Officer Bios

The following summarizes certain information concerning the directors and executive officers of the Company:

John F. Driscoll, director and Chair, age 77, was the founding chair and a director of Sentry, a leading independent Canadian investment firm which grew in assets under management to approximately $19 billion from 1997 to 2017. In 2017, Sentry was sold to CI Financial Corp. for $780 million. He also founded and was the chairman of NCE Resources Group from 1984 to 2007, a company which focussed on drilling and development of oil and gas properties and resource investing. He was the founder and chairman of Petrofund Energy Trust, an oil and gas acquisition entity, from 1988 to 2006. In 2006, Petrofund Energy Trust was sold to PennWest Energy Trust for $3.7 billion, creating the largest energy trust in North America at the time with an enterprise value of approximately $11 billion. He was the chairman of InterPipeline from 2002 through to 2013 when he retired from the board of directors. InterPipeline is a major petroleum transportation, natural gas liquids extraction and bulk liquid storage business based in Calgary with operations in Western Canada and Europe. Mr. Driscoll indirectly acquired control of InterPipeline when its enterprise value was approximately $700 million. By 2013, under his leadership and guidance, the company had grown to an enterprise value of approximately $10 billion. Mr. Driscoll was the founder of both Allied Oil & Gas Corp. and Endev Energy Inc., holding the position of chair from 1999 to 2001 and from 2002 to 2008, respectively. After building both companies, Allied Oil & Gas Corp. was sold to the City of Medicine Hat and Endev Energy Inc. was sold to PennWest Energy Trust. He was the founder and chairman of C.A. Bancorp Inc., a private equity company focused on the acquisition of mid-cap industrials, from 2005 to 2011. He was the founder and chairman of Charter Real Estate Investment Trust, which specialized in the acquisition of shopping centres, from 2007 to 2010. He also has founded numerous public limited partnerships as well as public and private energy and investment-related companies. During his career, Mr. Driscoll raised over $30 billion in Canadian capital markets for enterprises he controlled. Mr. Driscoll received his Bachelor of Science degree from the Boston College Business School and attended the New York Institute of Finance for advanced business studies. He is a member of the CFA Institute and also attained the professional manager designation with the Canadian Institute of Management.

Frank Potter, Lead director, age 83, is retired and has been an independent director for a number of public, private and not-for-profit corporations. Mr. Potter has a background in international banking in Europe, the Middle East and the United States. He managed the international business of one of Canada's principal banks before being appointed to the executive board of the World Bank Group (a financial services institution) in Washington where he served for nine years, including as lead director and Chair of the bank's Steering Committee. Mr. Potter subsequently served as a Senior Advisor at the Department of Finance for the Canadian government. He is formerly the chair of Emerging Markets Advisors, Inc. (a Toronto based consultancy that assisted corporations in making and managing direct investments internationally). Mr. Potter served on a number of boards, including Canadian Tire Corporation, Limited (a retail company), Canadian Tire Bank (2008 to 2014), Obsidian Energy Petroleum Ltd. (formerly known as Penn West Petroleum Ltd.) and the Royal Ontario Museum (a museum in Toronto), where he is a former chairman of the board of governors. Mr. Potter obtained a Military Degree in April 1958 from the Royal Military College of Science in the United Kingdom.

Blair Driscoll, director and Chief Executive Officer, age 38, has been a director and the Chief Executive Officer of the Company since May 30, 2018. Mr. Driscoll is the Chief Executive Officer and President of FII and has been a director and the Co-Chief Executive Officer and Vice-President of Federated Capital, since October 2017. Mr. Driscoll served as a director of Sentry from February 2016 to October 2, 2017, the date CI Financial Corp. acquired Sentry. Mr. Driscoll served as the Vice President, Investment Operations, of Sentry from May 2017 to October 2, 2017, and as an Associate Portfolio Manager of Sentry from September 2012 to May 2017. Prior to that, Mr. Driscoll worked at CIBC World Markets Inc. in the Equity Research Department supporting coverage in the Canadian telecom and media sectors. Mr. Driscoll holds an MBA from the Rotman School of Management, University of Toronto.

Edward Jackson, director, age 62, is a well-respected industry leader with over 30 years of experience in the financial services industry. He most recently served as Managing Director, Head -

Investment Funds Group, with RBC Capital Markets, a position he held until his retirement in December 2015. Prior to that, from 1992 to 1998, Mr. Jackson held several senior management positions within the Royal Bank of Canada covering some of Canada's largest financial institutions. Mr. Jackson currently serves as an advisory board member for EnerTech Capital, a private investment firm focused on innovation in the energy and power industries within North America, and as an independent review committee member for Brookfield Investment Management (Canada) Inc., a wholly-owned subsidiary of Brookfield Asset Management Inc., and for Middlefield Group, a private Canadian asset manager with approximately $4 billion in assets under management. He also currently serves as a hearing committee member for the Investment Industry Regulatory Organization of Canada, and as a hearing council member for the Mutual Fund Dealers Association. From February 2011 to December 2015, Mr. Jackson also served as the President, Chief Executive Officer and Trustee of Advantage Preferred Share Trust, a TSX listed closed-end fund. Mr. Jackson holds an Honours Bachelor of Business Administration from Wilfrid Laurier University.

Paul Gibbons, director, age 62, has over 35 years of accounting and audit experience and prior to his retirement, was a partner at Deloitte LLP, Canada from 1997 to 2018. Mr. Gibbons' professional designations include being certified as a Chartered Professional Accountant (CPA) and Chartered Accountant (CA). He is also a member of the Institute of Chartered Accountants of Ontario. Mr. Gibbons has extensive experience with IFRS, SOX compliance and reporting requirements and CEO/CFO certification requirements for internal financial reporting controls. Mr. Gibbons has acted as chair for several audit committees in the not-for-profit sector. He holds an MBA from the Schulich School of Business at York University.

Edward Merchand, Chief Financial Officer, age 57, has been the Chief Financial Officer of the Company since May 30, 2018. Mr. Merchand has over 25 years of experience within the financial services industry - most recently with Sentry where he was the Chief Financial Officer from September 2013 to November 2017 and, prior to Sentry, the Chief Financial Officer of Mackenzie Financial Corporation. Mr. Merchand has been the Treasurer of Federated Capital, since April 2018. Mr. Merchand's professional designations include being certified as a Chartered Professional Accountant (CPA) and Chartered Accountant (CA). He is also a member of the Institute of Chartered Accountants of Ontario.

Ryan Caughey, General Counsel and Corporate Secretary, age 44, has been the General Counsel and Corporate Secretary of the Company since January 17, 2019. Mr. Caughey first joined Sentry in July 2006 and became the Senior Vice President, General Counsel and Corporate Secretary of Sentry beginning in May 2017 before departing the company in June 2018 after Sentry's acquisition by CI Financial Corp. in October 2017. Mr. Caughey has been the General Counsel of Federated Capital, since November 2018. Prior to joining Sentry in July 2006, Mr. Caughey worked as an associate lawyer at Osler, Hoskin & Harcourt LLP in Toronto. Mr. Caughey obtained a bachelor of laws from Queen's University in 2002 and was admitted to the Law Society of Upper Canada in 2003.

Penalties or Sanctions

None of the directors or executive officers of the Company, and to the best of its knowledge, no Shareholder holding a sufficient number of securities to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the directors or executive officers of the Company, and to the best of its knowledge, no Shareholder holding a sufficient number of securities to affect materially the control of the Company, has, within the 10 years prior to the date of this annual information form, 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 that individual.

Corporate Cease Trade Orders and Bankruptcies

Except as set forth below, none of the directors or executive officers of the Company, and to the best of its knowledge, no Shareholder holding a sufficient number of securities to affect materially the control of the Company is, as at the date of this annual information form, or has been within the 10 years before the date of this annual information form, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the existing director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Mr. Caughey was a director of Planswell Holdings Inc. ("**Planswell**") from June 2019 until his resignation in August 2019. His appointment to the board of directors of Planswell was as a board representative of Federated Capital, a significant investor in Planswell and the sole shareholder of FII. Planswell is a Canadian-based FinTech start-up offering on-line financial planning services to its users. Subsequent to his resignation, on November 25, 2019, Planswell filed an assignment in bankruptcy and a trustee was appointed.

Board Mandate

The mandate of the Board is:

- to oversee, directly and through its committees, the business and affairs of the Company; and
- to act with a view towards the best interests of the Company.

In discharging its mandate, in addition to the general oversight of management, the Board is, among other matters, responsible for:

- overseeing the Company's major strategic issues (including major capital commitments and material mergers and acquisitions) and long-term strategy, and ensuring that the Company is pursuing a sound strategic direction in accordance with approved corporate objectives;
- assessing operational and financial plans relative to key quantitative and qualitative performance benchmarks, and approving annual fiscal plans and significant new initiatives;
- ensuring that it understands the principal risks inherent in the business activities of the Company, and that the appropriate systems are implemented to diligently monitor and manage those risks;
- reviewing and monitoring the controls and procedures within the Company to maintain its integrity, including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance; and

- safeguarding the equity interest of Shareholders through the optimum utilization of the Company's capital resources.

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

Audit Committee

The Company's Audit Committee currently consists of Paul Gibbons (Chair), Frank Potter and Edward Jackson, each of whom is an independent director and financially literate in accordance with NI 52-110.

The Board has adopted a written charter for the Audit Committee which sets out the Audit Committee's responsibilities, a copy of which is attached to this annual information form as Schedule "A". The mandate of the Audit Committee is to oversee:

- the quality and integrity of the Company's financial statements and related disclosures;
- the Company's compliance with legal and regulatory requirements;
- the independent auditors' qualifications, performance and independence; and
- the integrity of the Company's internal controls.

The Audit Committee's responsibilities include, among other things:

- reviewing the Company's annual and interim financial statements, MD&A, and press releases regarding earnings before they are reviewed and approved by the Board and publicly disseminated by the Company;
- reviewing the Company's financial reporting procedures to ensure adequate procedures are in place for the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph; and
- overseeing the work of the Company's external auditor and recommending to the Board the external auditor to be nominated for election by the Shareholders at each annual meeting of Shareholders and negotiating the compensation of such external auditor.

The Audit Committee has direct communication channels with the Chief Financial Officer and the external auditors of the Company to discuss and review such issues as the Audit Committee may deem appropriate.

The Audit Committee has adopted a Non-Audit Services Pre-Approval Policy detailing the procedures to be followed in reviewing and pre-approving any services to be provided to the Company by the Company's independent external auditor. Among other things, this policy empowers the Audit Committee to consider and pre-approve certain listed permitted services that may be provided to the Company by its independent external auditor and sets forth listed services that are prohibited by applicable laws, regulations, rules or accounting or auditing standards.

External Auditor Service Fees

For the year ended December 31, 2019 and the year ended December 31, 2018, the Company incurred the following fees by its external auditor:

	Fiscal 2019	Fiscal 2018
Audit Fees[1]	$62,550	$39,900
Audit-Related Fees[2]	$54,410	$Nil
Tax Fees[3]	$25,478	$36,878
All Other Fees [4]	$126,956	$Nil
Total Fees Paid	$269,394	$76,778

Notes:

(1) "Audit Fees" are the aggregate fees of the Company's external auditors for audit services, either paid or accrued.

(2) "Audit-Related Fees" are the aggregate fees billed by the Company's external auditors for assurance and related services that were reasonably related to the performance of the review of the Company's financial statements and were not reported under "Audit Fees" in the table above.

(3) "Tax Fees" include the aggregate fees billed by the Company's external auditors for professional services related to tax compliance, tax advice and tax planning.

(4) "All Other Fees" are aggregate fees billed by the Company's external auditors for services, other than the services reported under "Audit Fees", "Audit-Related Fees" and "Tax Fees" in the table above. In the 2019 fiscal year, these services related to assistance with regulatory compliance matters and the French translation of our continuous disclosure documents in support of the Company's Offering.

Governance, Compensation and Nominating Committee

The Company's Governance, Compensation and Nominating Committee is comprised of Edward Jackson (Chair), Paul Gibbons and Frank Potter, each of whom is an independent director.

The Board has adopted a written charter for the Governance, Compensation and Nominating Committee which sets out the Governance, Compensation and Nominating Committee's responsibilities. The Governance, Compensation and Nominating Committee responsibilities include:

- reviewing and assessing the Company's corporate governance guidelines and, as appropriate, recommending to the Board changes thereto;
- identifying and recommending individuals to the Board for nomination as members of the Board and its committees taking the particular needs of the Board into consideration;
- developing and maintaining a succession plan in respect of the Company's members of senior management and the Board;
- reviewing and approving the annual remuneration of the Chief Executive Officer and other executive officers; and
- reviewing and recommending to the Board compensation of the members of the Board and the members of senior management.

The Governance, Compensation and Nominating Committee is responsible for establishing and implementing procedures to evaluate the effectiveness of the Board, committees of the Board and the contributions of individual Board members. The Governance, Compensation and Nominating Committee will also take reasonable steps to evaluate and assess, on an annual basis, directors' performance and effectiveness of the Board, Board committees, individual Board members, the Chair and committee Chairs. The assessment will address, among other things, individual director independence, individual director and overall Board skills, and individual director financial literacy. The Board will receive and consider the recommendations of the Governance, Compensation and Nominating Committee regarding the results of the evaluation of the performance and effectiveness of the Board, Board committees and individual Board members.

Nomination of Directors

The Company has included certain advance notice provisions in its by-laws (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general or, where the need arises, special meetings; (ii) ensure that all Shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote. Only persons who are nominated by Shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors. Nominations of persons for election to the Board may be made for any annual meeting of Shareholders, or for any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors: (a) by or at the direction of the directors, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Shareholders pursuant to a requisition of the Shareholders made in accordance with applicable law; or (c) by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the Company's register as a holder of one or more Subordinate Voting Shares carrying the right to vote at such meeting or who beneficially owns Subordinate Voting Shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provisions.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Company's Corporate Secretary. To be timely, a Nominating Shareholder's notice to the Company's Corporate Secretary must be made: (a) in the case of an annual meeting (including an annual and special meeting) of Shareholders, not less than 30 days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than 50 days after the date that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the meeting was made (the "**Notice Date**"), notice by the Nominating Shareholder shall be made not later than the close of business on the tenth day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth day following the Notice Date. To be considered timely and in proper form, a Nominating Shareholder's notice shall be promptly updated and supplemented if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.

To be in proper written form, a Nominating Shareholder's notice to the Company's Corporate Secretary must set forth, or be accompanied by, as applicable: (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, province or state, and country or residence of the person; (B) the principal occupation, business or employment of the person, both present and for the five years preceding the notice; (C) whether the person is a resident Canadian within the meaning of the CBCA; (D) the class or series and number of Subordinate Voting Shares which are, directly or indirectly, directed, controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (E) a description of any relationship, agreement, arrangement or understanding (including financial, compensatory or indemnity related or otherwise) between the Nominating Shareholder and the person, or any affiliates or associates of, or any person or entity acting jointly or in concert with the Nominating Shareholder or the person, in connection with the Proposed Nominee's nomination and election as a director; (F) whether the person is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Company or its affiliates or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Company and the interests of the person; and (G) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to applicable securities laws; and (b) as to the Nominating Shareholder giving the notice: (A) his or her or its name, age and, if applicable, residential address; (B) the class or series and number of Subordinate Voting Shares which are, directly or indirectly, directed, controlled or which are owned beneficially or of record by the person as of the record date for the meeting

of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (C) the interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which may be to alter, directly or indirectly, such Nominating Shareholder's economic interest in a security of the Company or such Nominating Shareholder's economic exposure to the Company; (D) full particulars regarding any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has any interests, rights or obligations relating to the voting of any Subordinate Voting Shares; and (E) and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular or other filings required to be disclosed in connection with solicitations of proxies for election of directors pursuant to applicable securities laws.

The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the Advance Notice Provisions and, if any proposed nomination is not in compliance with such provisions, the discretion to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the directors may, in their sole discretion, waive any requirement in the Advance Notice Provisions.

Directors' and Officers' Liability Insurance

The directors and officers of the Company are covered under the Company's directors' and officers' liability insurance. Under this insurance coverage, the Company will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of the directors and officers of the Company, subject to a deductible for each loss, which must first be paid by the Company before any reimbursement from insurance. The insurance will also pay on behalf of the individual directors and officers of the Company for insured claims arising during the performance of their duties for which they are not indemnified by the Company. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

CONFLICTS OF INTEREST

The directors and officers of the Company are aware of the existence of laws, as well as the Company's policies, governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws and policies in respect of any directors' and officers' conflict of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable law and policies and they will govern themselves in respect thereof to the best of their ability in accordance with the obligation imposed upon them by law as well as the policies.

Except as disclosed herein, to the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and a director or officer of the Company. Certain directors and officers of the Company may serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as directors or officers of such other companies.

None of the directors are required to commit their full time to the Company's affairs and, accordingly, the directors may be susceptible to conflicts of interest in allocating their time among various business activities. The Company does not believe, however, that any fiduciary duties or contractual obligations of the directors would impair the Company's ability to meet its business objective. In the event the Company seeks to complete a transaction with a company that is affiliated with any director or officer of the Company, in accordance with applicable laws, any negotiations would be undertaken on behalf of the Company by a committee of independent directors.

Agreements between the Company, FII and Federated Capital

Allocation of Investment Opportunities

On November 21, 2019, FII, Federated Capital and the Company entered into a letter agreement to govern the allocation of business opportunities between the parties in respect of certain investment opportunities and monetization events (the "**Letter Agreement**"). Within the markets described in the Company's business objectives and investment strategies, neither FII nor Federated will compete with the Company except as permitted by the Letter Agreement.

Pursuant to the Letter Agreement, FII and Federated Capital will agree to present to the Company for consideration, any investment opportunity which may reasonably be determined to fit within the Company's business objective and investment strategies (which for greater certainty, includes target public or private companies with operating businesses and a market capitalization of $1.5 billion or less). When presenting an opportunity, FII or Federated Capital, as applicable, shall also disclose to the Company whether it is interested in pursuing such opportunity. Upon being presented with such opportunity, the Company, by way of the approval of the Investment Committee (with any members of such committee who are not independent of Federated Capital or FII, or who are otherwise conflicted, recused from voting), shall have the first right to exclusively invest in the opportunity and may offer FII or Federated Capital the opportunity to co-invest with the Company (upon such terms and conditions as the Company and FII or Federated Capital may agree). If the Company declines an opportunity, FII or Federated Capital may still pursue such opportunity on its own behalf, including on terms more beneficial to FII or Federated Capital.

In addition, FII or Federated Capital shall give the Company notice of its intention to dispose of any securities of any issuer in which it knows the Company is also invested and to cooperate with the Company in connection with such disposition of such securities in an orderly manner, subject to compliance with applicable laws and any additional terms and conditions of such investment agreed to by the Company and FII or Federated Capital. FII or Federated Capital shall give such notice of its intention to dispose of securities not less than 30 days before such disposition in the case of publicly traded securities and not less than 60 days in the case of securities that are not publicly traded.

The foregoing shall not apply to any investment or disposition made by FII or Federated Capital that is directed by a fully managed account or similar account whereby such investment or disposition is not directed by a director, officer or employee of FII or Federated Capital.

The Letter Agreement shall continue in force in respect of each of FII or Federated Capital for so long as FII or Federated Capital, as applicable, holds, directly or indirectly, a majority of the voting rights attached to all outstanding voting securities of the Company.

Administrative Services

On November 21, 2019, the Company and Federated Capital entered into an agreement (the "**Administrative Services Agreement**") whereby the Company will have access to certain office space and supplies, computers, communication equipment and administrative personnel provided by Federated Capital. As consideration for such services (including the use of office space), the Company has agreed to pay Federated Capital a fee equal to the costs and expenses of Federated Capital in providing such services and office space, plus 5%.

Other

The Company will not hold securities of an issuer that provides compensation to a related party of the Company (other than a Portfolio Company, an entity managed by the Company, or a director or senior officer of the Company that deals at arm's length with the Company) for management or consulting services.

Any amendment to the Letter Agreement or the Administrative Services Agreement or the entering into of new agreements with FII, Federated Capital or other related party of the Company (other than a Portfolio Company, an entity managed by the Company, or a director or senior officer of the Company that deals at arm's length with the Company) would require the approval of the unconflicted directors of the Company and, in certain circumstances as required by applicable law or the stock exchange on which the Subordinate Voting Shares are traded, approval of Shareholders.

PROMOTERS

FII has taken the initiative in acquiring control of the Company and reorganizing the business of the Company into an investment company, and may therefore be considered a promoter of the Company for the purposes of applicable securities legislation. The number of Subordinate Voting Shares and Multiple Voting Shares (and the equity and voting percentage outstanding) that are held by FII, is set forth under "*Principal Shareholder and Federated Capital – Fax Investments Inc.*". Other than in its capacity as a Shareholder of the Company, FII will not receive any benefits, directly or indirectly, from the Company.

Staff of the Ontario Securities Commission has notified the Company that it is of the view that Blair Driscoll is a promoter of the Company within the meaning of applicable securities laws. The Company has applied for and received an exemption from the requirement for Blair Driscoll to execute a Certificate of Promoter in his individual capacity for the prospectus in respect of the Offering. In applying for and receiving such relief, neither the Company nor Blair Driscoll admit that Blair Driscoll is a promoter of the Company. Blair Driscoll is the Chief Executive Officer and a director of the Company and the Chief Executive Officer and President of FII. The number of Subordinate Voting Shares and Multiple Voting Shares (and the equity and voting percentage outstanding) that are held by Blair Driscoll, is set forth under "*Directors and Officers – Directors and Executive Officers*". Blair Driscoll is entitled to compensation in his capacity as a director and Chief Executive Officer of the Company. Details of such compensation can be found in the Company's long form prospectus dated October 18, 2019 which is available on SEDAR at www.sedar.com under the heading of "*Remuneration of Directors and Executive Compensation*".

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as noted in this annual information form, there are no material interests, direct or indirect, of any director or executive officer of the Company, any Shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of the votes attached to the Multiple Voting Shares or Subordinate Voting Shares, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years most recently completed financial years or during the current financial year before the date hereof that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

AUDITOR, TRANSFER AGENT AND REGISTRAR

Deloitte LLP, located at 8 Adelaide Street West, Suite 200, Toronto, Ontario, M5H 0A9, is the auditor of the Company.

The transfer agent and registrar for the Subordinate Voting Shares and the Founder Warrants is Computershare Investor Services Inc. located at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1.

CUSTODIAN

CIBC World Markets Inc., the investment banking subsidiary of the Canadian Imperial Bank of Commerce, is the Custodian. Its head office is located at 161 Bay Street, 5th Floor, Toronto, Ontario, M5J 2S8.

The Company and the Custodian entered into a Custodial Services Agreement (the "**Custodial Services Agreement**") dated November 21, 2019 pursuant to which the Custodian was appointed to act as the custodian of the Company's investment portfolio, as constituted from time to time, and certain other assets of the Company. The Custodian is responsible for the safekeeping of all of the investments and other assets of the Company delivered to it and will act as custodian of such assets. The Custodian may appoint one or more sub-custodians from time to time at its discretion to hold all or a part of the Company's assets, provided that (i) the sub-custodian is reasonably believed to satisfy the requirements of Section 6.2 or 6.3 (as applicable) of NI 81-102; and (ii) the arrangements under which a sub-custodian is appointed are such that the Company may either (a) directly enforce rights to the Company's assets held by the appointed sub-custodian, or (b) require the Custodian or sub-custodian to enforce rights to the Company's assets held by the appointed sub-custodian on behalf of the Company. The Custodial Services Agreement may be terminated by either party on 60 days' written notice.

INTERESTS OF EXPERTS

The Company's independent auditor, Deloitte LLP, has advised that they are independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

MATERIAL CONTRACTS

The following are the only material agreements of the Company that are in effect as of the date hereof (other than certain agreements entered into in the ordinary course of business);

(a) the Coattail Agreement (see "*Description of Share Capital – Coattail Agreement*");

(b) the Agency Agreement;

(c) the Warrant Indenture (see "*Description of Share Capital – Founder Warrants*");

(d) the Custodial Services Agreement (see "*Custodian*");

(e) the Administrative Services Agreement (see "*Conflicts of Interest - Agreements between the Company, FII and Federated Capital - Allocation of Investment Opportunities*"); and

(f) the Letter Agreement (see "*Conflicts of Interest - Agreements between the Company, FII and Federated Capital – Administrative Services*").

Copies of the foregoing documents are available on SEDAR at www.sedar.com.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The Company is not aware of any material legal, administrative or regulatory proceedings to which the Company was or is a party, or that any of its property is or was the subject of, during the financial year ended December 31, 2019. Further, the Company is not aware of any such material legal, administrative or regulatory proceedings being contemplated.

ADDITIONAL INFORMATION

Additional financial information is provided in the Company's financial statements and MD&A for the most recently completed financial year. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's long form prospectus dated October 18, 2019.

These documents, along with additional information about the Company may be found on SEDAR at www.sedar.com.

GLOSSARY

"**Administrative Services Agreement**" has the meaning ascribed thereto under "*Conflicts of Interest – Agreements Between the Company, FII, and Federated Capital – Administrative Services";*

"**Advance Notice Provisions**" has the meaning ascribed thereto under "*Directors and Officers – Nomination of Directors*";

"**Agency Agreement**" means the agreement dated October 18, 2019 among the Company and a syndicate of agents in respect of the Offering, pursuant to which the Company appointed the agents as its agents to offer for sale, on a best efforts basis to the public, up to 33,333,333 Units at a price of $4.50 per Unit for aggregate gross proceeds of up to $150,000,000, subject to the terms and conditions contained therein. The agents received a cash commission equal to $0.2475 per Unit (5.5%) from the sale of the Units;

"**Audit Committee**" means the audit committee of the Company, as further described under "*Directors and Officers – Audit Committee*";

"**Board**" means the board of directors of the Company;

"**Book Value**" has the meaning ascribed thereto under "*Description of the Business – Calculation of Total Assets and Book Value*";

"**CBCA**" means the *Canada Business Corporations Act*;

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**Chair**" means the chair of the Board;

"**Change of Business**" means the Company's change of business from a mineral resource exploration company to an investment holding company, as further described under "*Corporate Structure*";

"**Coattail Agreement**" has the meaning ascribed thereto under "*Description of Share Capital – Coattail Agreement*";

"**Company**" means FAX Capital Corp., a corporation governed by the CBCA;

"**Control**" or "**controlled**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"**Covered Operating Expenses**" has the meaning ascribed thereto under "*Description of the Business – Ongoing Fees and Expenses*";

"**CSE**" means the Canadian Securities Exchange;

"**Custodial Services Agreement**" means an agreement to be entered into between the Company and the Custodian pursuant to which the Custodian will provide certain custodial services to the Company in respect of the Company's investment portfolio and certain other assets of the Company, as more fully described under "*Custodian*";

"**Custodian**" means CIBC World Markets Inc. acting as custodian under the Custodial Services Agreement;

"**Debt Settlement**" has the meaning ascribed thereto under "*General Development of the Business"*;

"**Escrow Agent**" means Computershare Trust Company of Canada, in its capacity as escrow agent, under the Escrow Agreement;

"**Escrow Agreement**" has the meaning ascribed thereto under "*Escrowed Securities and Resale Restrictions*";

"**Expiry Time**" has the meaning ascribed thereto under "*Description of Share Capital – Founder Warrants*";

"**Federated Capital**" means Federated Capital Corp., a corporation established under the laws of the Province of Ontario;

"**FII**" means Fax Investments Inc., a corporation established under the laws of the Province of Ontario;

"**forward-looking statements**" has the meaning ascribed thereto under "*Certain References and Forward-Looking Statements*";

"**Founder Warrants**" means the Subordinate Voting Share purchase warrants in the capital of the Company, as further described under "*Description of Share Capital – Founder Warrants*";

"**Governance, Compensation and Nominating Committee**" means the governance, compensation and nominating committee of the Company, as further described under "*Directors and Officers – Governance, Compensation and Nominating Committee*";

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"**InterPipeline**" means InterPipeline Limited, a corporation established under the laws of the Province of Alberta;

"**Investment Committee**" has the meaning ascribed thereto under "*Description of the Business – Investment Selection*";

"**Investment Concentration Restriction**" has the meaning ascribed thereto under "*Description of the Business – Investment Restrictions*";

"**Letter Agreement**" has the meaning ascribed thereto under "*Conflicts of Interest – Agreements Between the Company, FII and Federated Capital – Allocation of Investment Opportunities*";

"**Long-Term Incentive Plan**" means the long-term incentive plan adopted by the Board on August 28, 2019 and as approved by a majority of disinterested shareholders at a special meeting of Shareholders held on September 25, 2019;

"**MD&A**" means management's discussion and analysis;

"**Members of the Immediate Family**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"**Minimum Investment Requirement**" has the meaning ascribed thereto under "*Description of the Business – Investment Restrictions*";

"**Multiple Voting Shares**" means the multiple voting shares in the capital of the Company, as further described under "*Description of Share Capital – Authorized Share Capital*", and "**Multiple Voting Share**" means any one of them;

"**Net Proceeds of the Offerings**" means the sum of the net proceeds of the Offering and the Substantial Equity Investment after deducting the Company's expenses of the Offering, the Substantial Equity Investment and the commissions payable the syndicate of agents in respect of the Offering, which for greater certainty, does not include any funds received from the exercise of Founder Warrants;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as amended from time to time;

"**NI 81-102**" means National Instrument 81-102 – *Investment Funds* of the Canadian Securities Administrators, as amended from time to time;

"**Nominating Shareholder**" has the meaning ascribed thereto under "*Directors and Officers – Nomination of Directors*";

"**Notice Date**" has the meaning ascribed thereto under "*Directors and Officers – Nomination of Directors*";

"**NP 46-201**" means National Instrument 46-201 – *Escrow for Initial Public Offerings* of the Canadian Securities Administrators, as amended from time to time;

"**Offering**" has the meaning ascribed thereto under "*General Development of the Business"*;

"**Operating Expense Cap**" has the meaning ascribed thereto under "*Description of the Business – Ongoing Fees and Expenses*";

"**Permitted Holders**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"**Person**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"Planswell" has the meaning ascribed thereto under "*Directors and Officers of the Company – Corporate Cease Trade Orders and Bankruptcies*";

"**Portfolio Company**" has the meaning ascribed thereto under *"Description of the Business – Business Objective and Investment Strategies*";

"**Properties**" has the meaning ascribed thereto under "*General Development of the Business"*;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

"**Sentry**" means Sentry Investments Inc., a corporation established under the laws of the Province of Ontario;

"**Share Consolidation**" has the meaning ascribed thereto under "*Corporate Structure*";

"**Shareholders**" means, collectively, the holders of Multiple Voting Shares and Subordinate Voting Shares, or any other shares of the Company as may be created from time to time, and "**Shareholder**" means any one of them;

"**Shares**" means collectively the Subordinate Voting Shares and the Multiple Voting Shares;

"**SPAC**" has the meaning ascribed thereto under "*Risk Factors – Not Subject to the SPAC Rules of the TSX*";

"**Subordinate Voting Shares**" means the subordinate voting shares in the capital of the Company, as further described under "*Description of Share Capital – Authorized Share Capital*";

"**Substantial Equity Investment**" has the meaning ascribed thereto under "*General Development of the Business*";

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder;

"**Total Assets**" has the meaning ascribed thereto under "*Description of the Business – Calculation of Total Assets and Book Value*";

"**Transfer**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"**Trustee**" has the meaning ascribed thereto under "*Description of Share Capital – Coattail Agreement*";

"**TSX**" means the Toronto Stock Exchange;

"**TSX Sandbox**" has the meaning ascribed thereto under "*General Development of the Business*";

"**Units**" means those units of the Company that were sold under the Offering, consisting of one Subordinate Voting Share and one Founder Warrant;

"**U.S. Person**" has the meaning ascribed thereto under Regulation S under the United States *Securities Act of 1933*, as amended;

"**Voluntary Measures**" means certain measures adopted by the Company and FII to address certain securities regulatory or public interest policy objectives including the Minimum Investment Requirement, Investment Concentration Restriction and other measures more fully described in the Company's long form prospectus dated October 18, 2019 which can be found on SEDAR at www.sedar.com;

"**Voting Control**" has the meaning ascribed thereto under "*Description of Share Capital – Conversion*";

"**Warrant Agent**" means Computershare Trust Company of Canada, in its capacity as warrant agent under the Warrant Indenture; and

"**Warrant Indenture**" means the warrant indenture dated as of November 21, 2019 between the Company and the Warrant Agent as further described under "*Description of Share Capital – Founder Warrants*".

SCHEDULE "A"

FAX CAPITAL CORP.

AUDIT COMMITTEE CHARTER

The following shall constitute the Audit Committee Charter (the "**Charter**") of the Board of Directors (the "**Board**") of FAX Capital Corp. (the "**Company**"):

Statement of Purpose

The Audit Committee (the "**Committee**") of the Company has been established by the Board for the purpose of assisting the Board in fulfilling its oversight responsibilities with respect to:

- The quality and integrity of the Company's financial statements and related disclosures;
- The Company's compliance with legal and regulatory requirements;
- The independent auditors' qualifications, performance and independence; and
- The integrity of the Company's internal controls.

The function of the Committee is oversight. The management of the Company is responsible for the preparation, presentation, and integrity of the Company's financial statements. Management is responsible for maintaining appropriate accounting and financial reporting policies and for developing internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations.

In addition, the Committee shall provide an avenue for communication between the independent auditors, financial management and the Board. The Committee should have a clear understanding with the independent auditors that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the independent auditors is to the Committee and the Board, as representatives of the shareholders. The Committee shall expect the auditor to call to its attention any accounting, auditing, internal accounting control, regulatory or other related matters that the auditor believes warrant consideration or action. The Committee will make regular reports to the Board concerning its activities.

The Committee shall be given full access to the Company's management and records and independent auditors as necessary to carry out its responsibilities. The Committee shall be entitled to rely on the integrity of the Company's management and independent auditors whom it receives information, and the accuracy of the information provided to them absent knowledge to the contrary.

Committee Membership

The Committee shall be comprised of three or more directors, each of whom will be appointed by the Board, taking into account any recommendation that may be made by the Governance, Compensation and Nominating Committee. The Board will designate one of the members of the Committee to be the Chair of the Committee.

Each member of the Committee shall be independent and satisfy the independence requirements of National Instrument 52-110 – *Audit Committees*, as same may be amended from time to time ("**NI 52-110**").

Committee members must be financially literate, as determined in accordance with NI 52-110. Members must also have suitable experience and must be familiar with the financial reporting practices of public companies.

The members of the Committee, including the Chair, shall be elected annually by the Board. Any member of the Committee may be removed and replaced by the Board at any time, but shall otherwise serve for one year or until their successors are duly elected and qualified. If a vacancy exists, the remaining members of the Committee may exercise all of its powers as long as a quorum is present and subject to any legal requirements regarding the minimum number of members of the Committee.

The Committee may invite from time to time, at its discretion, members of management to attend the meetings of the Committee. The Lead Director, if not already a member of the Committee, will be permitted to attend each meeting of the Committee as an observer.

Committee Operations

In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:

(a) **Meetings.** The Committee shall meet once every quarter, and more often if circumstances dictate, to discharge properly its duties and responsibilities.
(b) **Agenda**. The Chair will establish the agenda for the meeting in consultation with the other members of the Committee, the Chairman of the Board and the Lead Director.
(c) **Advisors.** The Committee shall have the authority to engage independent counsel and other advisors as it determines reasonably necessary to carry out its duties and to set and pay, at the Company's expense, the compensation of such advisors.
(d) **Quorum.** A quorum at any meeting of the Committee shall be a majority of the number of members of the Committee. The powers of the Committee shall be exercisable at a meeting at which quorum is present or by resolution in writing signed by all members of the Committee.
(e) **Secretary.** The Corporate Secretary or such other person as may be designated by the Chair of the Committee, or any person appointed by the Chair of the Committee, shall act as secretary of meetings of the Committee.
(f) **Minutes.** The secretary of the Committee will keep regular minutes of Committee meetings and will circulate them to all Committee members, the Chairman of the Board and the Lead Director (and to any other director upon request) on a timely basis.
(g) **Calling of Meetings.** Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon reasonable notice to each of its members. The notice period may be waived by all members of the Committee. A meeting of the Committee may be called by the Chair of the Committee, by the Chairman of the Board, by the President and Chief Executive Officer, by the external auditor of the Company, by the Corporate Secretary, or by any member of the Committee.
(h) **Absence of Chair.** In the absence of the Chair, the Committee may appoint one of its other members to act as Chair of that meeting.
(i) **Subcommittees.** The Committee shall have the authority to form and delegate responsibilities to subcommittees as appropriate.

Committee Responsibilities and Duties

The Committee is responsible for performing the duties set out below and any other duties that may be assigned to it by the Board and performing any other functions that may be necessary or appropriate for the performance of its duties.

Financial Statements and Financial Review

(a) Review the accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations.

(b) Review all material balance sheet issues, material contingent obligations and material related party transactions, as well as the Company's operating expenses in relation to the Company's approved annual budget.

(c) Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.

(d) Review the Company's audited annual consolidated financial statements and the unaudited quarterly financial statements. Also review and recommend to the Board for approval any accompanying related documents such as the Annual Information Form or equivalent filings and the Management's Discussion and Analysis prior to the disclosing of the information to the public.

(e) Prior to public dissemination, review the draft quarterly earnings press releases.

(f) Satisfy itself that adequate procedures are in place for the review of any other public disclosure by the Company of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures.

Independent Auditor's Qualifications and Independence

(g) Oversee the work of the external auditor and recommend to the Board the selection and compensation of the external auditors to be put forward to the shareholders at the annual meeting.

(h) Obtain on an annual basis a formal written statement from the external auditors delineating the relationship between the audit firm and the Company, and review and discuss with the external auditors such relationship to determine the "independence" of the auditors.

(i) Review any management letter prepared by the external auditors concerning the Company's internal financial controls, record keeping and other matters and management's response thereto.

(j) Discuss with the external auditors their views about the quality of the implementation of Canadian Generally Accepted Accounting Principles, with a particular focus on the accounting estimates and judgments made by management and management's selection of accounting principles. Meet in private with appropriate members of management and separately with the external auditors on a regular basis to share perceptions on these matters, discuss any potential concerns and agree upon appropriate action plans. Review with the external auditor their views on the adequacy of the Company's financial personnel.

(k) Approve the scope of the annual audit, the audit plan, the access granted to the Company's records and the co-operation of management in any audit and review function.

(l) Review the effectiveness of the independent audit effort, including approval of the fees charged in connection with the annual audit, any quarterly reviews and any non-audit services being provided.

(m) Evaluate the lead audit partner and discuss rotation of the lead audit partner and other active audit engagement team partners.

(n) Assess the effectiveness of the working relationship of the external auditors with management and become involved, if necessary, to resolve disagreements between management and the external auditor regarding financial reporting matters.

(o) Determine the nature of non-audit services the external auditor is prohibited from providing to the Company. The Committee will pre-approve all non-audit services provided by the external auditor to the Company.

(p) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the external auditor.

Accounting Complaints Handling Procedures

(q) Establish and review procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Additional Oversight

(r) Review program of risk assessment and steps taken to address significant risks or exposures of all types, including insurance coverage, legal claims and tax compliance.

(s) Receive a report on management's evaluation of internal controls over financial reporting annually regarding the reliability of financial reporting.

(t) Receive annually a report on management's assessment of risk of fraud or error, and the internal controls to mitigate those risks.

(u) Review compliance with regulatory requirements relating to CEO/CFO certifications.

(v) Receive periodic reports from management on taxation.

(w) Review annually the expenses of the CEO, the CFO and the directors.

(x) Review the public disclosure regarding the Audit Committee required from time to time by applicable Canadian securities laws, including:

(i) the Charter of the Audit Committee;

(ii) the composition of the Audit Committee;

(iii) the relevant education and experience of each member of the Audit Committee;

(iv) the external auditor services and fees; and

(v) such other matters as the Company is required to disclose concerning the Audit Committee.

(y) Perform any other activities consistent with this Charter, the Company's by-laws and governing law as the Committee or the Board deems necessary or appropriate.

In-Camera Sessions

The Audit Committee should meet separately periodically with management and the independent auditors to discuss any matters that the Committee believes should be discussed privately. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee.

Auditor's Attendance at Meetings

The external auditor shall be entitled to receive notice of every meeting of the Committee and, at the expense of the Company, to attend and be heard at any meeting of the Committee. If so requested by a member of the Committee, the external auditor shall attend every meeting of the Committee held during the term of office of the external auditor.

Access to Information

The Committee shall have access to any information, documents and records that are necessary in the performance of its duties and the discharge of its responsibilities under this Charter.

Review of Charter

The Committee shall periodically review this Charter and, if the Committee deems appropriate, recommend to the Board changes to this Charter.

Reporting

The Committee shall report to the Board on the major items covered at each Committee meeting and make recommendations to the Board and management concerning these matters.

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This Charter was approved by the Board of Directors of FAX Capital Corp. on November 13, 2019.