



Canso Select Opportunities Corporation

**NOTICE OF SPECIAL MEETING
AND
MANAGEMENT INFORMATION CIRCULAR**

November 29, 2022

**Special Meeting of Shareholders
January 11, 2023 at 10:30am (Toronto time)
100 York Boulevard, Suite 550
Richmond Hill, Ontario
L4B 1J8**



Canso Select Opportunities Corporation

CANSO SELECT OPPORTUNITIES CORPORATION

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT a special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of the Class A Multiple Voting Shares and Class B Subordinate Voting Shares in the capital of Canso Select Opportunities Corporation (the “**Corporation**” or “**CSOC**”) will be held at the offices of the Corporation at 100 York Boulevard, Suite 550, Richmond Hill, Ontario, L4B 1J8 and by teleconference by dialling toll free at 1-888-345-2160 (enter Access Code: 9531441 when prompted) on January 11, 2023 at 10:30 a.m. (Toronto time), for the following purposes:

1. to consider and, if thought advisable, approve, an ordinary resolution to permit the board of directors, in its sole discretion, to authorize the Corporation to purchase an aggregate of 70,000 Class A common shares (the “**Lysander Class A Shares**”) of Lysander Funds Limited (“**Lysander**”), a related party of the Corporation, from Canso Fund Management Ltd. (“**CFM**”) (the “**Transaction**”), a related party of the Corporation, with such approval to be on a “majority of the minority” basis pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), as further described in the accompanying Circular (defined below); and
2. to transact such other business as may properly come before the Meeting and any adjournments(s) or postponement(s) thereof.

The accompanying management information circular dated November 29, 2022 (the “**Circular**”) provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Only Shareholders of record at the close of business on November 25, 2022 are entitled to receive notice of and to vote at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. A Shareholder may also join the teleconference by dialling toll free at 1-888-345-2160 (enter Access Code: 9531441 when prompted). **Shareholders are strongly encouraged to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof.**

If you are unable to attend the Meeting in person, and wish to be represented by proxy, please complete, sign, date and return the accompanying form of proxy in the enclosed self-addressed envelope provided in accordance with the instructions set forth in the accompanying Circular and form of proxy. **Proxies will not be valid unless deposited at the offices of the Corporation’s registrar and transfer agent, TSX Trust Company, P.O. Box 721, Agincourt, Ontario, M1S 0A1, in the enclosed self-addressed envelope, or by facsimile to 416-368-2502 or toll-free in Canada and United States to 1-866-781-3111 or scan and email to proxyvote@tmx.com by not later than 5:00 p.m. (Toronto time) on January 9, 2023 (or, in the case of an adjournment of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the adjourned Meeting). Alternatively, a proxy may be deposited with the secretary of CSOC before or at the Meeting.** A person appointed as proxy holder need not be a Shareholder.

If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the

instructions provided to you by your broker or by such other intermediary. Failure to do so may result in your shares not being eligible to be voted at the Meeting.

DATED at Richmond Hill, Ontario as of November 29, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Joe Morin"

Joe Morin
President and Chief Executive Officer



Canso Select Opportunities Corporation

CANSO SELECT OPPORTUNITIES CORPORATION

MANAGEMENT INFORMATION CIRCULAR

November 29, 2022

SOLICITATION OF PROXIES

The attached notice of meeting (the “**Notice of Meeting**”) and this management information circular (collectively with the Notice of Meeting, the “**Circular**”) is being furnished in connection with the solicitation of proxies by or on behalf of the management of Canso Select Opportunities Corporation (the “**Corporation**” or “**CSOC**”) for use at the special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of the Class A Multiple Voting Shares and Class B Subordinate Voting Shares of the Corporation, which is to be held at the offices of the Corporation at 100 York Boulevard, Suite 550, Richmond Hill, Ontario and by teleconference at 1-888-345-2160 (Access Code: 9531441) on January 11, 2023 at 10:30 a.m. (Toronto time) and at any adjournment(s) or postponement(s) thereof.

The solicitation will be conducted primarily by mail and may be supplemented by telephone, electronic or other personal contact to be made without special compensation by directors and officers of the Corporation. The costs of the solicitation will be borne by the Corporation.

The information contained herein is given as at November 14, 2022 except where otherwise noted.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Corporation is authorized to issue an unlimited number of Class A Multiple Voting Shares, an unlimited number of Class B Subordinate Voting Shares, and an unlimited number of preference shares, each issuable in series. As at the date hereof, the Corporation had 1,611,460 Class A Multiple Voting Shares and 1,166,738 Class B Subordinate Voting Shares issued and outstanding and no preference shares issued and outstanding. The directors of the Corporation have fixed November 25, 2022 as the record date (the “**Record Date**”) for the determination of Shareholders entitled to receive notice of the Meeting.

Voting Rights

The holders of the Class A Multiple Voting Shares and the Class B Subordinate Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the Shareholders of the Corporation, in person or by proxy, save and except meetings at which only holders of another class or series of shares are entitled to vote. Each person who is the holder of Class A Multiple Voting Shares on the Record Date is entitled to thirty (30) votes per Class A Multiple Voting Share so held, and each person who is the holder of Class B Subordinate Voting Shares on the Record Date is entitled to one (1) vote per Class B Subordinate Voting Share so held.

The holders of Class A Multiple Voting Shares have an aggregate voting power of 97.6% whereas the Class B Subordinate Voting Shares have an aggregate voting power of 2.4%.

The Class A Multiple Voting Shares and the Class B Subordinate Voting Shares (collectively, the “**Shares**”) referred to above are the only voting shares of the Corporation that are outstanding as of the Record Date and, accordingly, only the holders of the Shares are entitled to receive notice of or vote at the Meeting.

Conversion Rights

The Class A Multiple Voting Shares are convertible, at any time, at the option of the holder and without payment of additional consideration, into Class B Subordinate Voting Shares on the basis of one Class B Subordinate Voting Share for each one Class A Multiple Voting Share so converted. A holder of Class A Multiple Voting Shares may convert less than all of the Class A Multiple Voting Shares held, but only a whole number of Class A Multiple Voting Shares may be converted.

In the event of a take-over bid for the Class A Multiple Voting Shares, a holder of Class B Subordinate Voting Shares may participate in such take-over bid by exercising the conversion rights attached to such shares. Each outstanding Class B Subordinate Voting Share shall be convertible into one Class A Multiple Voting Share at the option of the holder, subject to the terms and conditions contained in the articles of the Corporation.

Unless otherwise stated or unless the context otherwise indicates, all references hereafter in this Circular to “**Shares**” means Class A Multiple Voting Shares and Class B Subordinate Voting Shares of the Corporation and all references to “**Shareholders**” means the registered holders of such Shares.

Principal Holders

To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, the following persons beneficially own, control or direct, directly or indirectly, securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation:

Name	# of Class A Multiple Voting Shares⁽²⁾	Class A Multiple Voting Shares %	# of Class B Subordinate Voting Shares⁽²⁾	Class B Subordinate Voting Shares %
John Carswell ⁽¹⁾	751,618	46.6	29,363	2.5
Canso Investment Counsel Ltd. ⁽³⁾	178,260	11.1	7,276	0.6
Canso Partners II Fund ⁽⁴⁾	176,916	11.0	5,932	0.5

Note:

- (1) Mr. Carswell holds 735,532 Class A Multiple Voting Shares and 24,662 Class B Subordinate Voting Shares direct and indirectly through GRIP Investments Limited, his personal holding company. Mr. John Carswell exercises direct and indirect control or direction over approximately 45.6% of Class A Multiple Voting Shares and approximately 2.1% of Class B Subordinate Voting Shares through his direct and indirect beneficial ownership and control or direction over GRIP Investments Limited, his personal holding company, Canso Investment Counsel Ltd. (“**CIC**”), a registered portfolio management firm and Skunkworks Investment Corporation, a private investment company.
- (2) Represents securities, directly or indirectly, beneficially owned, controlled or directed.
- (3) CIC’s position is comprised of the holdings of managed accounts at CIC and Canso Partners II Fund.
- (4) Canso Partners II Fund holds its position through CIC.

As of the date hereof, the directors and officers of the Corporation own or control, directly or indirectly, in the aggregate, 802,911 Class A Multiple Voting Shares, representing approximately 49.8% of the issued and outstanding Class A Multiple Voting Shares, and directly and indirectly, in the aggregate, 47,643 Class B Subordinate Voting Shares, representing approximately 4.1% of the issued and outstanding Class B Subordinate Voting Shares.

PROXY INSTRUCTIONS

Appointment of Proxy

If your Shares are held by or through a nominee such as a dealer, broker or other intermediary, please see the instructions below under the heading “*Advice to Beneficial Owners*”.

Shareholders who are unable to attend the Meeting and vote in person may still vote by appointing a proxy. Accompanying this Circular is a form of proxy (the “**Instrument of Proxy**”) for use by Shareholders. The persons

named in the enclosed Instrument of Proxy are directors and executive officers of CSOC. Timothy Hicks, Chief Executive Officer and President of CSOC, and Shirley Sumsion, Chief Financial Officer of CSOC, are the management designees named in the Instrument of Proxy. Timothy Hicks and Shirley Sumsion will each act as management designee for Shareholders, however, their Shares personally held and controlled will be excluded from voting for the purposes of obtaining the requisite approvals of the resolution with respect to the Transaction (the “**Transaction Resolution**”). See “*Excluded Shareholders*”. **A Shareholder who wishes to appoint another person (who need not be a Shareholder) to represent the Shareholder at the Meeting may either insert the person’s name in the blank space provided in the Instrument of Proxy or complete another proper form of proxy.**

The Instrument of Proxy must be signed by the Shareholder or his duly authorized attorney in writing or by electronic signature in accordance with the instructions printed on the form.

Proxy Voting

The management designees named in the Instrument of Proxy will vote or withhold from voting the Shares in respect of which they are appointed in accordance with the instructions of the Shareholder appointing them and if the Shareholder specifies a choice with respect to any matter to be voted upon, the Shares will be voted accordingly. **In the absence of such instruction, the named individuals will vote FOR all matters referred to in the Notice of Meeting and discussed in this Circular under the heading “*Matters Requiring Shareholder Approval*”.**

The Instrument of Proxy, when properly completed and signed, confers discretionary authority on the persons named therein with respect to amendments or variations to such matters and with respect to other matters that may properly be brought before the Meeting. As at the date hereof, management knows of no such amendment, variations or other matters to be brought before the Meeting, other than the matters referred to in the accompanying Notice of Meeting.

Completion and Return of Proxy

Proxies will not be valid unless deposited at the offices of the Corporation’s registrar and transfer agent, TSX Trust Company, P.O. Box 721, Agincourt, ON M1S 0A1, in the enclosed self-addressed envelope, or by facsimile to 416-368-2502 or toll free in Canada and United States to 1-866-781-3111 or you may scan and email the completed Instrument of Proxy to proxyvote@tmx.com by not later than 5:00 p.m. (Toronto time) on January 9, 2023 (or, in the case of an adjournment of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the adjourned Meeting). Failure to so deposit a form of proxy shall result in its invalidation. Alternatively, a proxy may be deposited with the secretary of CSOC before or at the Meeting.

Delivery of Meeting Materials

In accordance with the provisions of National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and using Notice-and-Access (as defined below), the Corporation has distributed or has caused its agents to distribute copies of the Notice-and-Access Notice (as defined below), and Instrument of Proxy to the intermediaries and clearing agencies for onward distribution to the Beneficial Owners (as defined below).

Advice of Beneficial Owners

Subject to the provisions of NI 54-101 only registered holders of the Corporation’s Shares (hereafter sometimes referred to as the “**Registered Holders**”) are entitled to receive notice of the Meeting and only Registered Holders or their duly appointed proxies are entitled to vote at the Meeting. Most Shareholders of the Corporation are not Registered Holders because their Shares are registered in the name of CDS & Co., as nominee of CDS Clearing and Depository Services Inc. (“**CDS**” or the “**Depository**”) pursuant to the book-entry system operated by CDS (the “**Book-Entry System**”). Shares represented by certificates registered in the name of the Depository are held by the Depository on behalf of various dealers, brokers and their agents and nominees, or other participants in the Book-Entry System (collectively “**Intermediaries**”) who in turn hold those Shares (directly or indirectly through one or more other Intermediaries) for their respective customers and accounts of such Intermediaries (the “**Beneficial Owners**”).

Shares held by Intermediaries can only be voted (for or against resolutions) upon the instructions of the Beneficial Owners. Without specific instructions, the Intermediaries are prohibited from voting shares for the broker's clients. The directors and officers of CSOC do not know for whose benefit the Shares registered in the name of CDS are held. **Therefore, Beneficial Owners should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.**

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Owners in advance of shareholder meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Owners in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Owner by its broker (or the agent of the broker) is similar to the Instrument of Proxy provided to Registered Holders by CSOC; however, its purpose is limited to instructing the Registered Holder (the broker or agent of the broker) how to vote on behalf of the Beneficial Owner. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form instead of the Instrument of Proxy.

As a Beneficial Owner, you may vote or cause your Shares to be voted at the Meeting in any of the following ways:

1. Complete the voting instruction form provided by Broadridge and return it to Broadridge by mail or facsimile. A Beneficial Owner receiving a voting instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Shares voted. **Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.**
2. Call a toll-free number to vote the Shares held by the Beneficial Owner or vote online as provided on the voting instruction form or Instrument of Proxy.
3. As a Beneficial Owner you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker (or agent of the broker), however you may (or have someone else) attend the Meeting as proxyholder for the Registered Holder and vote the Shares in that capacity. Beneficial Owners who wish to attend the Meeting and indirectly vote their Shares as proxyholders for the Registered Holder (or have another person attend and vote on behalf of the Beneficial Owner) should enter their own (or such other person's) names in the blank space on the Instrument of Proxy or other voting instruction form provided to them and return the same to their brokers (or the brokers' agents) in accordance with the instructions provided by such brokers (or agents) well in advance of the Meeting.

Revocation of Proxy

A Shareholder has the right to revoke a submitted proxy at any time prior to its use. To do so, the Shareholder may deliver or, transmit by facsimile or electronic means, a written notice to the registered office of the Corporation at 100 York Boulevard, Suite 550, Richmond Hill, Ontario, L4B 1J8, at any time up to and including the last business day before the Meeting or any adjournment of the Meeting. The proxy may also be revoked on the day of the Meeting or any adjournment of the Meeting by delivering written notice to the Chair of the Meeting, or designate thereof, and, additionally, may be revoked in any other manner permitted by law. The written notice of revocation must be signed by the Shareholder or by an attorney who has the Shareholder's authorization in writing or by electronic signature. If the Shareholder is a corporation, the written notice must be signed by its duly authorized officer or attorney.

Only registered Shareholders have the right to revoke a proxy. Beneficial Owners who wish to change their vote must arrange with adequate prior notice for their respective Intermediaries to revoke the proxy on their behalf.

Notice-and-Access

The notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") and NI 54-101 (collectively, "**Notice-and-Access**") are a mechanism which allows reporting issuers other than

investment funds to choose to deliver proxy-related materials to Registered Holders and Beneficial Owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer's website and sometimes the transfer agent's website) rather than delivering such materials by mail. Notice-and-Access can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and Registered Holders and Beneficial Owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer's expense.

The Corporation has elected to use Notice-and-Access to deliver the meeting materials to Shareholders. In order for the Corporation to utilize Notice-and-Access to deliver proxy-related materials by posting the Circular (and, certain other meeting materials) electronically on a website that is not SEDAR, the Corporation must send a notice ("**Notice-and-Access Notice**") to Shareholders, indicating that the Circular (and, certain other meeting materials) have been posted and explaining how a Shareholder can access them, or obtain from the Corporation a paper copy of such meeting materials. **The Notice-and-Access Notice has been delivered by the Corporation or through its agents along with the Instrument of Proxy (or voting instruction form) to the Intermediaries and clearing agencies for onward distribution to the Beneficial Owners. Management of CSOC will pay for Intermediaries to forward the proxy-related materials to the Beneficial Owners.**

In order to use Notice-and-Access, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to Shareholders. The Corporation will not rely upon the use of "stratification". Stratification occurs when a reporting issuer using Notice-and-Access provides a paper copy of the Circular with the Notice-and-Access Notice to any of its Shareholders. No Shareholder will receive a paper copy of the Circular from the Corporation or any Intermediary unless such Shareholder specifically requests same.

The Circular has been posted in full under the Corporation's SEDAR profile at www.sedar.com, on the Corporation's website at www.selectopportunitiescorporation.com/#investors and at the following internet address: www.meetingdocuments.com/TSXT/CSOC. **Any Shareholder who wishes to receive a paper copy of the Circular must contact the Corporation's transfer agent, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 or by phone at 416-682-3801 or 1-888-433-6443 (toll-free in Canada and the US) or by emailing tsxt-fulfillment@tmx.com.** In order to ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Circular and return a form of proxy or voting instruction form prior to the proxy deadline, it is strongly suggested that a Shareholder ensure their request is received no later than December 23, 2022.

The Meeting will be held in person but access to the Meeting is available by way of teleconference facilities. CSOC strongly encourages Shareholders to vote their Shares prior to the Meeting following the instructions set out in the form of proxy or voting instruction form received by such Shareholders. Registered Holders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Beneficial Owners who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements regarding share acquisitions, share issuances, future growth, results of operations, anticipated cash flows, dividends, performance, business prospects and opportunities involving the Corporation and completion of the Transaction. Words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of the Corporation. These statements are not historical facts but instead represent only management's and the Board's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve known and unknown risks, assumptions, uncertainties, and other factors that may cause actual results or events to differ materially from what is expressed, implied or forecasted in such forward-looking statements. In addition to the factors and assumptions the Corporation currently believes to be material, such as, but not limited to, the anticipated benefits of the Transaction, the issuance of the Consideration (as defined below), its

ability to achieve its investment objectives, its anticipated cash flows, its dependence on the efforts of management, risks associated with fluctuations in net asset value and valuation of the Corporation's portfolio, Lysander's fund performance and dividend policy, its ability to operate on a profitable basis, changes in interest rates, evaluation of its provision for income and related taxes, other factors not currently viewed as material, such as general, economic and business conditions and opportunities available to or pursued by the Corporation, could cause actual results to differ materially from those described in the forward-looking statements. Although the Corporation has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not anticipated, estimated or intended. Accordingly, Shareholders should not place any undue reliance on forward-looking statements as such information may not be appropriate for other purposes. The Corporation does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Circular except as required by applicable law.

All dollar amounts herein are expressed in Canadian dollars, unless otherwise indicated.

MATTERS REQUIRING SHAREHOLDER APPROVAL

Purchase of Lysander Class A Shares from CFM

Overview

The Corporation proposes to purchase 70,000 Class A common shares (the "**Lysander Class A Shares**") of Lysander Funds Limited ("**Lysander**") from Canso Fund Management Ltd. ("**CFM**") by issuing to CFM 2,440,239 Class B Subordinate Voting Shares of the Corporation (the "**Consideration**") for an aggregate Consideration value of \$12.25 million (the "**Transaction**") pursuant to a share purchase agreement dated October 17, 2022 (the "**Agreement**") attached to this Circular as Appendix "A".

The purpose of the Transaction is to diversify the Corporation's portfolio and to increase its cash flows by way of consistent dividends. See "*Benefits of the Transaction*", "*Reasons for the Recommendation*" and "*Risk Factors*" below.

If minority Shareholder approval for the Transaction is obtained at the Meeting, the Corporation proposes to complete the Transaction on or about January 13, 2023.

Anticipated Results of Closing

Upon completion of the Transaction, it is anticipated that there will be 3,606,977 Class B Subordinate Voting Shares outstanding, which will represent an aggregate voting power of 6.9% with respect to the overall Shares outstanding. The number of outstanding Class A Multiple Voting Shares is not expected to change in connection with the Transaction.

Also as a result of the Transaction, it is expected that CFM will hold a 46.8% position in the Corporation and will have a voting power of 4.7% with respect to Class B Subordinate Voting Shares.

In addition, it is expected that CSOC will enter into a shareholders agreement with Lysander, which contains customary restrictions on transfer, pre-emptive rights, tag-along and drag-along provisions consistent with a private company operation.

Parties to the Transaction

CFM is a private Ontario-based company registered as an investment fund manager. Lysander is also a private Ontario-based company registered as an investment fund manager and dealer with the securities regulators. The Corporation does not currently hold any Lysander Class A Shares or Class B common shares of Lysander, or any securities of CFM.

Lysander and CFM are both related parties to CSOC pursuant to the provisions of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). CFM is directly owned by CIC, which is indirectly owned and controlled by GRIP Investments Limited. Lysander is owned and controlled by GRIP Investments Limited, which is John Carswell’s personal holding company. Grip Investments Limited is also a significant shareholder of the Corporation. See “*Securities Law Considerations*” below.

Background to the Transaction

On October 17, 2022, CSOC, CFM and Lysander entered into the Agreement. The execution of the Agreement was the result of arm’s length negotiations among CFM, Lysander and representatives and legal and financial advisors of the Corporation. The following is a summary of the material events, including the meetings, negotiations, discussions and actions between the parties and their representatives, that preceded the execution and public announcement of the Agreement.

In January 2022, John Carswell, in his capacity as a member of the Corporation’s Investment Committee, began to entertain and engage in high level discussions on the strategic merits of exploring the Transaction with the other members of the Investment Committee of the Corporation. The long-term objective of CSOC is to grow the capital in the business by making accretive public and private investments. The acquisition of a position in Lysander was considered, at the preliminary stages, to be a strategic investment with expected consistent investment returns by way of regular dividend income.

The Board and senior management of CSOC, in furtherance of their ongoing duties and responsibilities to act in the best interests of CSOC including by strengthening its business, enhancing value for Shareholders and considering the interests of stakeholders, routinely review and assess CSOC’s performance, strategic plans, and short-term and long-term growth prospects.

The Investment Committee, supportive of the potential for increased cash flow to the Corporation, moved to call a meeting of the board of directors of CSOC (the “**Board**”) to have a preliminary discussion concerning the benefits of the proposed Transaction. On February 10, 2022, the Board met and considered the proposed Transaction and its anticipated benefits. The proposed selling shareholder, CFM, holds 70,000 Class A shares of Lysander. It was determined that CFM’s stake in Lysander would be a meaningful investment for CSOC.

The Investment Committee recommended that the Board consider the Transaction for the following reasons:

- (a) *Investment Growth.* The Investment Committee expects the Lysander Class A Shares proposed to be acquired to become more valuable over time, which will add to the value of CSOC going forward.
- (b) *Dividend Income.* Lysander paid quarterly dividends which amounted to just over \$5/share in 2021, which the Investment Committee believes will be sustained or possibly increased in the foreseeable future. It is anticipated that this would generate approximately \$350,000 in cash investment income for CSOC. For the first three quarters of 2022, Lysander paid a regular dividend of \$1.50 per share, which annualized would generate approximately \$420,000 in cash investment income for CSOC.
- (c) *Reputational Strength.* CIC is the portfolio manager for some of the Lysander funds. Both CIC and Lysander have very high profiles within the investment advisor community. The investment committee expects that taking a position in Lysander will greatly improve the profile of CSOC and that the resulting increase in investor confidence is anticipated to reduce the discount of the market price of CSOC’s shares compared to net asset value (“**NAV**”).

Further to the Corporation’s policy on Related Party Transactions and in consideration of securities law requirements, the Board decided to establish a special committee of independent directors, consisting of Tom Fernandes (Chair), Tony MacDougall and Stephen Klubi (the “**Special Committee**”) on February 10, 2022. The mandate of the Special Committee empowered it to, among other things, consider, investigate, analyze, review, negotiate, provide advice and recommendations to the Board in respect of the Transaction taking into consideration the reasonable expectations of the stakeholders of the Corporation; including the solicitation, exploration, consideration, review and evaluation of any alternatives, including the preservation of the status quo and the pursuit of strategic alternatives; provide advice

and guidance to the Board as to whether the Transaction is fair to the Shareholders and is in the best interests of the Corporation and its stakeholders, having regard to relevant considerations and, if so determined, advise the Board as to the content of resolutions and other actions reasonably desirable to give effect thereto; provide advice and guidance to the Board on matters considered by the Special Committee to be reasonably ancillary to the Transaction, together with the recommendations of the Special Committee; ensure that the Board is provided with sufficient information with respect to the Transaction and the business and affairs of the Corporation, and can engage financial advisors and legal advisors to assist.

Between February and October 2022, the Special Committee formally met on 19 separate occasions to discuss various steps of the Transaction. During these meetings, the Special Committee frequently consulted Neda Bizzotto and Peggy Dowdall-Logie with respect to logistical and procedural matters. Ms Bizzotto attended 15 meetings with the Special Committee and assisted the Special Committee in scheduling meetings and calls with external parties and attended certain meetings for the purpose of providing documentation requested by the committee for their review. Ms. Bizzotto would also act as a liaison between the Special Committee and the other parties to the Transaction for the purpose of relaying questions. Ms. Dowdall-Logie attended 13 meetings of the Special Committee and at these meetings she answered questions relating to governance and procedural matters concerning the committee's responsibilities and fiduciary duties. Neither Ms. Bizzotto or Ms. Dowdall-Logie participated in any decision-making or negotiation with respect to the Transaction.

Following the Board meeting on February 10, 2022, the Special Committee met with representatives of Blair Franklin Capital Partners Inc. ("**Blair Franklin**") to discuss a possible engagement of Blair Franklin to provide a formal valuation of the acquired Lysander Class A Shares (the "**Valuation**") and a fairness opinion, from a financial point of view, of the proposed Transaction (the "**Fairness Opinion**" and together with the Valuation, the "**Opinions**").

On February 16, 2022, Borden Ladner Gervais LLP ("**BLG**") was engaged to act as the external legal advisor to the Special Committee at a meeting on that date and was asked to provide legal advice on the Special Committee's duties and responsibilities relating to the Transaction.

During the period between April to May 2022, the Special Committee met on various occasions to discuss the status and the engagement of the financial advisor and related costs. At the time, CSOC was considering relying on the exemption from the formal valuation requirements available to it under section 5.5(b) of MI 61-101.

On April 21, 2022 and on April 22, 2022, Neda Bizzotto presented to the Special Committee the required regulatory requirements and legal steps to complete the Transaction and the group discussed the possible division of legal work between BLG and CSOC. Neda Bizzotto also provided an update on the status of the term sheet and the valuation process to be carried out by Blair Franklin.

On May 4, 2022, Joe Morin, Chief Investment Officer and Member of the Investment Committee of CSOC, provided a preliminary term sheet of the Transaction to the Special Committee. On May 11, 2022, the Special Committee, Peggy Dowdall-Logie and Neda Bizzotto met with Joe Morin to discuss the preliminary term sheet. At that meeting, Neda Bizzotto also provided a potential timeline for the Transaction.

The Special Committee held two meetings on May 13, 2022. Representatives of Blair Franklin and its advisors/consultants attended the first meeting at which the members of the Special Committee expressed their desire to engage Blair Franklin. A discussion of costs related to this engagement ensued. Blair Franklin provided the Special Committee a summary of the processes involved in preparing the Opinions. At this time, Blair Franklin was only to provide a quote for the Fairness Opinion. At the second meeting of the Special Committee, consideration was given to only obtaining the Fairness Opinion because CSOC could rely upon an exemption under MI 61-101 from the requirement to obtain the Valuation.

On May 19, 2022, the Special Committee and its advisors/consultants met to discuss whether only obtaining the Fairness Opinion was the appropriate decision. Neda Bizzotto stated that CFM found it acceptable to rely upon the Fairness Opinion. There was also discussion on the specific contents of an email by BLG.

On May 26, 2022, the Board met for their first quarter meeting at which Tom Fernandes provided an update on the Transaction. Joe Morin also presented a final term sheet to the Board and the Special Committee.

On May 27, 2022, the Special Committee and its advisors/consultants met to discuss retaining BLG to provide guidance on the requirements and timeframe surrounding the pre-filing conference with the TSX Venture Exchange (“TSX-V”).

In June 2022, management of CSOC and its legal advisors met with members of TSX-V for a pre-filing discussion on the Transaction. It was agreed upon that the TSX-V did not consider the proposed Transaction to be a Change of Business or a Reverse Take-Over under TSX-V rules. In July 2022, CSOC provided Lysander financials to the TSX-V. Upon review, the TSX-V reported to BLG that the “evidence of value” of Lysander was not apparent based on the NAV test. As a result, at the end of July, the Special Committee decided to engage Blair Franklin to prepare the Valuation in addition to the Fairness Opinion.

On August 3, 2022, the Special Committee formally engaged Blair Franklin to provide the Opinions.

On August 24, 2022, Blair Franklin requested to meet with the Special Committee. The purpose of the meeting was for Blair Franklin to provide an update on next steps.

The Special Committee held two meetings on September 7, 2022. Blair Franklin attended the first meeting and provided the Special Committee with a draft report outlining its financial analysis summarizing its preliminary views with respect to the valuation of the acquired Lysander Class A Shares and its preliminary views on the fairness, from a financial point of view, of the Transaction. Blair Franklin also presented to the Special Committee a proposed exchange ratio supported by its analysis and raised certain points requiring potential clarification. The second meeting among the Special Committee and its advisors/consultants involved a discussion of the need to meet with and update BLG on the status of the proposed Transaction and to obtain guidance on next steps. Neda Bizzotto informed the Special Committee of the requirements to prepare and disseminate a press release announcing the Transaction.

On September 9, 2022, the Special Committee and its advisors/consultants met with BLG to provide background on the Transaction and steps taken so far. BLG provided advice to the Special Committee on next steps, such as exploring the genesis of the Transaction, various accompanying agreements required, and the term sheet.

On September 14, 2022, the Special Committee and its advisors/consultants met to discuss the status of the Transaction. Tom Fernandes explained that he was waiting on amendments to the briefing package provided by Blair Franklin. Tony MacDougall remarked on the potential necessity of the Special Committee in exploring alternative financing, such as a new share issue. The Special Committee considered the implications of MI 61-101 and the Special Committee’s mandate, regulations and obligations. Neda Bizzotto agreed to contact Joe Morin to request that the Investment Committee provide the Special Committee with a detailed memo of the proposed Transaction, including maintaining the status quo and alternatives considered.

On September 16, 2022, Blair Franklin provided the Special Committee with a revised draft report outlining its financial analysis summarizing its preliminary views with respect to the valuation of the acquired Lysander Class A Shares and its preliminary views on the fairness, from a financial point of view, of the Transaction. The Special Committee also received clarification on points raised and answers to questions that had come up following Blair Franklin’s presentation on September 7th to the Special Committee. Following this meeting, the Special Committee met briefly as a follow-up discussion on Blair Franklin’s presentation on preliminary views on value. The Special Committee agreed to share BLG’s advice on MI 61-101 and its implications with the Board (Joe Morin, in particular).

On September 19, 2022, the Investment Committee presented a detailed memo to the Special Committee on its recommendation to approve the Transaction.

On October 3, 2022, John Carswell, acting on behalf CFM, and Blair Franklin, acting on behalf of the Special Committee, discussed and determined the purchase price for the Lysander Class A Shares. Blair Franklin acted on instructions received from the Special Committee, which were based upon the preliminary views from Blair Franklin with respect to the ongoing valuation analysis, key assumptions and approach to the fairness, from a financial point of view, of the proposed Transaction. At this meeting, John Carswell accepted the proposed purchase price from Blair Franklin and requested a summary of the negotiation, including valuation prices, for presentation to the CFM board of directors for approval.

On October 7, 2022, the Special Committee and its advisors/consultants met and Tom Fernandes provided the Special Committee with details of what had transpired at the meeting on October 3, 2022. Neda Bizzotto discussed the status of the drafting of the Agreement. There was also discussion as to how the Special Committee would make a presentation to the Board and who would be eligible to vote. Peggy Dowdall-Logie suggested seeking guidance from Blair Franklin on procedural steps going forward. The Special Committee was successful in reaching Blair Franklin to join the meeting and discuss next steps in the negotiations.

On October 17, 2022, the Special Committee met with Blair Franklin who provided the Special Committee with a revised draft report outlining its financial analysis summarizing its preliminary views with respect to the valuation of the acquired Lysander Class A Shares and its preliminary views on the fairness, from a financial point of view, of the Transaction. On this same day, a Board meeting was held to review the directors' resolutions with respect to authorizing the Transaction. Each of Timothy Hicks, Neda Bizzotto, Shirley Sumsion, Heather Mason-Wood and John Carswell are directors and/or senior officers of both the Corporation and CFM. Accordingly, each of John Carswell, Heather Mason-Wood, Timothy Hicks, Shirley Sumsion and Neda Bizzotto declared their interest with respect to the Transaction and abstained from voting. The Board agreed to approve the resolutions. As such, the Agreement was executed, following which the press release was released that evening and the material change report for the Transaction was filed.

The Agreement

The description of the Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Agreement, which is attached hereto as Appendix "A" and may be found under the SEDAR profile of the Corporation at www.sedar.com.

Pursuant to the Agreement, the Corporation proposes to purchase the 70,000 Lysander Class A Shares from CFM by issuing to CFM 2,440,239 Class B Subordinate Voting Shares of the Corporation for an aggregate value of \$12.25 million. The Agreement provides for the Transaction to be completed on or about January 13, 2023.

(a) Representations and Warranties

The Agreement contains a number of customary representations and warranties of the Corporation relating to, among other things: organization and status; corporate power and authority; authorization; absence of conflict; approvals, consents and notices; no brokerage, finder's or other fee or commission; corporate actions and proceedings permitting the purchase of the Lysander Class A Shares; and resident status of the Corporation under the *Income Tax Act* (Canada) (the "ITA").

The Agreement contains a number of customary representations and warranties of CFM relating to, among other things: organization and status; corporate power and authority; authorization; ownership of the Lysander Class A Shares; absence of conflict; approvals, consents and notices; absence of other agreement to purchase the Lysander Class A Shares; absence of a current shareholders' agreement over the Lysander Class A Shares; corporate actions and proceedings permitting the sale of the Lysander Class A Shares; no litigation; no insolvency or bankruptcy; and resident status of CFM under the ITA.

The Agreement contains a number of customary representations and warranties of Lysander relating to, among other things: the validity of the Lysander Class A Shares; no litigation; no insolvency or bankruptcy; absence of material adverse change; compliance with applicable laws; and Lysander policies and procedures.

(b) Covenants

The Agreement contains customary covenants relating to the Transaction. The Corporation has agreed to convene and conduct the Meeting in accordance with its constituting documents and applicable laws, and to prepare, file and mail this Circular in accordance with applicable laws. Lysander has agreed to obtain the approval of the Ontario Securities Commission (the "OSC") with respect to the Transaction. The Corporation, CFM and Lysander have mutually agreed to take any and all further action, as may be reasonably required to carry out the provisions of the Agreement and give

effect to the Transaction upon execution of the Agreement, and to seek the prior written consent of one another prior to making any public announcements in respect of the Agreement or the Transaction.

(c) Conditions Precedent to Closing the Transaction

Completion of the Transaction is subject to: the administrative interpretation or enforcement of existing laws, regulations and government policy not making the Transaction illegal, otherwise materially restraining or prohibiting the Transaction, or causing the Transaction to be rescinded following its completion; and the Corporation entering into a shareholder's agreement with Lysander and Grip Investments Limited effective as of the completion of the Transaction.

The obligation of the Corporation to complete the Transaction is subject to the satisfaction of each of the following conditions precedent (each of which may be waived by the Corporation prior to completion): minority shareholder approval; truthfulness and accuracy of the representations and warranties; performance of obligations and compliance with covenants; receipt of the Valuation; settlement of all documentation relating to the Transaction under the Agreement; TSX-V approval; and absence of material adverse change.

The obligation of CFM to complete the Transaction is subject to the satisfaction of each of the following conditions precedent (each of which may be waived by CFM prior to completion): minority shareholder approval; truthfulness and accuracy of the representations and warranties; performance of obligations and compliance with covenants; settlement of all documentation relating to the Transaction under the Agreement; confirmation the distribution of the Shares is exempt from the prospectus requirements under Canadian securities laws; and absence of material adverse change.

(d) Indemnification

The Corporation and CFM have mutually agreed to indemnify, defend, and hold one another harmless from and against, and to pay and reimburse one another for, any and all losses incurred or sustained as a result of any inaccuracy in or breach of any of the representations or warranties of the other in the Agreement.

Benefits of the Transaction

As a result of the Transaction, the Corporation will hold approximately 13% of the Lysander Class A Shares outstanding and the Corporation's beneficial ownership interest in Lysander will be approximately 9%. Lysander is a retail fund management company within the CIC group, as the fund manager of the Lysander-Canso funds and an affiliate of CIC under common control. The value of Lysander's business consists of its expected revenue, net income, and the assets it holds. Blair Franklin has determined that, as of October 17, 2022, subject to the assumptions, limitations and qualifications contained in the Opinions, that the fair market value of the Lysander Class A Shares to be acquired by the Corporation is between \$11.2 million and \$13.3 million. Please see "*Risk Factors*". **All summaries and references to the Opinions delivered by Blair Franklin are qualified in their entirety by reference to the full text of the Opinions. The Board strongly recommends that Shareholders read the Opinions delivered by Blair Franklin carefully and in their entirety for a description of the procedures followed, matters considered and limitations and qualifications on the review undertaken.**

The Transaction represents a long-term attractive growth opportunity for the Corporation. Lysander is currently paying a regular quarterly dividend of \$1.50 per share. If this dividend payment is maintained, it is expected to provide approximately \$420,000 in additional revenue annually to the Corporation. That level of dividend is perceived to be sustainable in the view of the Corporation based on its analysis of Lysander's historic and projected cash flows, using reasonable assumptions. As such, the dividend income to the Corporation would be immediately material to its consolidated cash flows. See "*Risk Factors*" and "*Forward-Looking Information*".

Special Committee Recommendation

After careful consideration, including a thorough review of the Agreement and the Opinions, as well as a thorough review of other materials and information, including matters discussed in this Circular, and taking into account the best interests of the Corporation and in consultation with its legal and financial advisors, the Special Committee

determined that the Transaction is fair to the Corporation's Shareholders and in the best interests of the Corporation. The Special Committee unanimously recommended to the Board that it (i) approve the Transaction, (ii) cause the Corporation to enter into the Agreement and (iii) recommend that the Corporation's Shareholders vote in favour of the Transaction Resolution.

The Special Committee recommends the proposed Transaction and considers it to be both fair and in the best interests of the Shareholders of the Corporation.

Recommendation of the Board of Directors

After careful consideration, and after reviewing the Opinions and receiving advice from its financial advisers and legal counsel, and following the unanimous recommendation of the Special Committee, the Board unanimously determined that the Transaction in the best interests of the Corporation and is fair to the Shareholders. **Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the Transaction Resolution at the Meeting.**

Reasons for the Recommendations

In reaching a conclusion that the Transaction is in the best interest of the Corporation and is fair to the Shareholders, and in making their recommendations to the Corporation's Shareholders, the Special Committee and the Board considered and relied upon a number of factors, including:

- (a) *Blair Franklin Formal Valuation and Fairness Opinion.* Blair Franklin provided its Opinions to the Special Committee to the effect that, as at October 17, 2022, and subject to the assumptions, limitations and qualifications set out in the Opinions, the fair market value of the acquired Lysander Class A Shares is in the range of \$160 to \$190 per Lysander Class A Share, and the Consideration to be paid to CFM for the Lysander Class A Shares is fair, from a financial point of view, to the Corporation. See "*Formal Valuation and Fairness Opinion*" herein and the full text of the Opinions attached as Appendix "B".
- (b) *Long-Term Attractive Growth Prospects.* Lysander has grown very rapidly in the past two years in terms of assets under management ("**AUM**"), revenues and cash flows. Despite the current difficult conditions in equity and bond markets, the AUM of Lysander has remained reasonably stable. The Corporation believes that Lysander's growth will continue in the medium to long-term but that growth will slow from the rapid pace it has experienced in the past two years. It is possible that a further significant decline in bond and equity markets could result in a decline in AUM at Lysander in the short term. See "*Risk Factors*".
- (c) *Promising Platform.* The Lysander platform is a multi-asset manager platform that provides interesting growth potential. Lysander's strategy is to attract and help market the investment products of Partner Portfolio Managers ("**PPMs**"). In the long-term Lysander is expected to benefit from growth in the AUM of its PPMs, but also by attracting other PPM's to make their investment products available through the platform.
- (d) *Indirect Access to Canso Investment Counsel Management Expertise.* The rapid growth in AUM at Lysander is in large part due to growth in the various funds where CIC acts as portfolio manager. CIC manages several credit-focused funds on behalf of Lysander and has generated attractive returns for its investors for a period in excess of 10 years in many of these funds. Should CIC continue to generate attractive returns, shareholders of Lysander should benefit and in turn so will the Shareholders of the Corporation. Similarly, weak performance by CIC could lead to a decline in AUM over time although this could be moderated by performance of other Lysander funds using portfolio managers other than CIC. See "*Risk Factors*".
- (e) *Potential Improvement in Trading Price of CSOC.* The shares in CSOC have recently been trading at a significant discount to their intrinsic value. CSOC believes that with the addition of shares in Lysander to the portfolio, the discount of shares to the NAV of CSOC will potentially narrow. This will benefit all Shareholders.
- (f) *CSOC will be Issuing Shares at NAV.* Despite the fact that the shares of CSOC are trading at a significant discount (greater than 60%) to NAV, CSOC will be issuing the Consideration at a price that is close to its

NAV which is of significant benefit to all Shareholders of CSOC. In the opinion of CSOC, such a transaction would not be possible in an alternative transaction with another financial services company.

In making their respective determinations and recommendations, the Special Committee and the Board also observed that a number of procedural safeguards were and are present to permit the Special Committee and the Board to effectively represent the interests of the Corporation and the Shareholders including, among others:

- (a) *Role of the Special Committee.* The evaluation and negotiation process was supervised by the Special Committee, which is composed entirely of independent directors and was advised by experienced and qualified financial and legal advisors. The Special Committee met regularly with the financial advisor and external legal counsel.
- (b) *Blair Franklin Opinions.* Although the Transaction is exempt from the formal valuation requirements of MI 61-101 pursuant to subsection 5.5(b) of MI 61-101 as the Corporation is not listed on a specified market, the Special Committee decided not to rely on the exemption from the formal valuation requirement and retained Blair Franklin as an independent financial advisor to provide a formal valuation of the Lysander Class A Shares being acquired by CSOC. The Consideration was negotiated based upon the results of the formal valuation conducted by Blair Franklin.
- (c) *Shareholder and Regulatory Approvals.* The Transaction is subject to the following approvals, which protect the Shareholders:
 - The Transaction Resolution must be approved by the affirmative vote of the majority of the votes cast on the Transaction Resolution by Shareholders permitted to vote who are present in person or represented by proxy at the Meeting. See “*Minority Approval*”.
 - The Transaction must be approved by the TSX-V.
 - The OSC must approve the transfer of the Lysander Class A Shares to CSOC.

In the course of their deliberations, the Special Committee and the Board also considered a variety of risks and other factors, including the following:

- (a) *Non-Completion.* The risks to CSOC and the Shareholders if the Transaction is not completed, including the costs to CSOC in pursuing the Transaction and the diversion of the Corporation’s management from the conduct of CSOC’s business in the ordinary course.
- (b) *Fees and Expenses.* The fees and expenses associated with the Transaction, a significant portion of which will be incurred regardless of whether the Transaction is consummated.
- (c) *No Alternatives to the Transaction.* At the time that the Transaction was being considered, there were no other feasible opportunities that the Special Committee considered to be preferable to the Transaction. No comparable or other acquisition was presented or available for consideration during the deliberations regarding the Transaction. The option of not completing the Transaction was not considered heavily since the benefits of the Transaction and the anticipated cash flows from Lysander dividends far outweighed not doing the Transaction and maintaining the status quo.
- (d) *Limited Liquidity of Lysander Class A Shares.* Lysander is a privately held corporation controlled by John Carswell. The Lysander Class A Shares therefore have limited liquidity. If the Corporation were to exit the investment post-Transaction, it would first have to offer the Lysander Class A Shares back to John Carswell or Lysander to repurchase the shares.
- (e) *Shares Discount to NAV.* The Transaction may not necessarily improve the discount of the Shares to NAV. Because there will be no immediate increase in the public float of the Shares, it is likely that they will continue trading at a discount to NAV. Although management expects the discount to NAV will narrow, it may not narrow materially.

- (f) *Future Performance of Lysander.* An unexpected decline in the assets of Lysander or performance of the Lysander funds managed by CIC or other PPMs could lead to a decline in the value of the Lysander Class A Shares.

The foregoing summary of the information and factors considered by the Board and the Special Committee is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Transaction, the Board and the Special Committee did not find it practical to, and did not quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. The Board's and the Special Committee's recommendations were made after considering all of the above-noted factors and in the light of the Board's and the Special Committee's knowledge of the business, financial condition and prospects of Lysander, and the advice of legal advisors to the Special Committee. In addition, individual members of the Board and the Special Committee may have assigned different weights to different factors.

Investment Committee Review and Recommendation

The Investment Committee makes investment decisions on behalf of the Corporation. All investment decisions must be made by unanimous agreement by a quorum of the Investment Committee. A quorum for the Investment Committee is a minimum of two directors of the Investment Committee. The Investment Committee is composed of Heather Mason-Wood, Timothy Hicks, John Carswell, Shirley Sumsion and Joe Morin. The Investment Committee considers each investment opportunity presented to it with a view to assessing the investment opportunity. The Investment Committee reports quarterly to the Board on acquisitions and divestitures of the Corporation. The Investment Committee recommended that the Board consider the Transaction. The Board subsequently established the Special Committee to conduct an independent review of the Transaction and retained Blair Franklin as advisors.

Formal Valuation and Fairness Opinion

Blair Franklin was formally engaged by the Special Committee pursuant to an engagement agreement dated August 3, 2022 (the "**Engagement Agreement**"). The Engagement Agreement provides for the payment by the Corporation to Blair Franklin of a fixed fee in respect of the preparation and delivery of the Opinions. Blair Franklin's fees are not contingent on the completion or success of the Transaction, or any other transaction of the Corporation or on the conclusions reached in the Opinions. Blair Franklin is also to be reimbursed for its reasonable out-of-pocket expenses and indemnified by the Corporation in certain circumstances under the Engagement Agreement. The Agreement provides for the sharing of all costs and expenses incurred in connection with the Transaction among CSOC and CFM, including fees and disbursements of financial advisors.

The following is a summary of the Opinions. All summaries and references to the Opinions delivered by Blair Franklin are qualified in their entirety by reference to the full text of the Opinions, which are attached as Appendix "B". The Board strongly recommends that Shareholders read the Opinions delivered by Blair Franklin carefully and in their entirety for a description of the procedures followed, matters considered and limitations and qualifications on the review undertaken.

The Special Committee determined that Blair Franklin was qualified and independent of the Corporation for the purpose of preparing and delivering the Opinions. Blair Franklin is an independent investment bank providing a full range of financial advisory services related to mergers and acquisitions, divestitures, minority investments, fairness opinions, valuations and financial restructurings. Blair Franklin acted as a financial advisor in a significant number of transactions throughout Canada and North America involving public and private companies in various industry sectors and has extensive experience in preparing formal valuations and fairness opinions in transactions similar to the Transaction.

Neither Blair Franklin nor any of its affiliated entities (as such term is defined in MI 61-101): (i) is an associated or affiliated entity or issuer insider (as such term is defined in MI 61-101) of the Corporation or CFM or any of their respective associates or affiliates (each, an "**Interested Party**" and collectively, the "**Interested Parties**"); (ii) is an advisor to any of the Interested Parties in connection to the Transaction (other than its engagement for the Special Committee); (iii) is a manager, co-manager or member of a soliciting dealer group formed in respect of the Transaction; (iv) is the external auditor of any Interested Party; or (v) has a material financial interest in the completion of the Transaction. During the 24 months before Blair Franklin was first contacted for the purpose of preparing and

delivering the Opinions, neither Blair Franklin nor any of its affiliated entities (i) had a material involvement in an evaluation, appraisal or review of the financial condition of any Interested Party, or an associated or affiliated entity of any Interested Party, (ii) acted as a lead or co-lead underwriter of a distribution of securities by any Interested Party, or (iii) had a material financial interest in a transaction involving any Interested Party. There are no understandings, agreements or commitments between Blair Franklin and any Interested Party with respect to any future business dealings. Blair Franklin may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Interested Parties.

In connection with the Opinions, Blair Franklin reviewed, considered, and relied upon or carried out, among other things, (i) discussions with management of CSOC and Lysander; (ii) discussions with the Special Committee; (iii) management presentation providing recent business updates as prepared by Lysander; (iv) historical audited financial statements of CSOC and Lysander; (v) historical AUM, sales and performance information pertaining to Lysander; (vi) comparable trading and comparable transaction multiples for selected companies and transactions considered relevant; (vii) equity research and general industry reports; (viii) public filings of CSOC, including but not limited to management information circulars, annual reports, quarterly reports, management’s discussion and analysis, press releases and other material documents; (ix) shareholder and insider information pertaining to CSOC available on the Canadian System for Electronic Disclosure by Insiders; (x) the Preliminary Term Sheet (draft reviewed as of August 9, 2022); (xi) transaction documents including the Agreement (draft reviewed as of October 17, 2022), and the Shareholder’s Agreement between GRIP Investments Limited, CSOC and Lysander (draft reviewed as of August 24, 2022); and (xii) such other information, documentation, analyses and discussions that Blair Franklin has considered relevant in the circumstances.

For the purposes of arriving at the value of the Lysander Class A Shares, Blair Franklin principally considered the following methodologies, the application of which is further discussed in the Opinions attached to this Circular as Appendix “B”:

- Comparable Companies Analysis whereby Blair Franklin reviewed the valuation metrics obtained from publicly-traded comparable companies;
- Dividend Yield Analysis whereby Blair Franklin analyzed the dividend yields of select publicly-traded comparable companies;
- Discounted Cashflow Analysis whereby Blair Franklin discounted to present value the projected cash flows of Lysander; and
- Precedent Transactions Analysis whereby Blair Franklin analyzed valuation metrics obtained from the prices paid for previous similar transactions.

Blair Franklin concluded, as at the date of the Opinions, that an appropriate fair market value range for the acquired Lysander Class A Shares is between \$160 and \$190 per share, and that the terms of the Transaction are fair to the Corporation from a financial point of view. The determination was made that it was fair to the Corporation because Shareholders are not receiving the Consideration. The Special Committee carefully considered this determination, as well as other various factors, materials and information prior to recommending the Transaction. The Special Committee relied heavily on the Opinions in its final determination and recommendation.

Ownership of Securities

As of November 14, 2022, there were 1,611,460 Class A Multiple Voting Shares and 1,166,738 Class B Subordinate Voting Shares of the Corporation issued and outstanding. The following table sets out the number, designation and the percentage of the outstanding securities of any class of securities of the Corporation issuer beneficially owned or over which control or direction is exercised by the directors, officers and significant shareholder of CSOC:

Person	Class A Multiple Voting Shares		Class B Subordinate Voting Shares	
	Number Held (direct and indirect)	Percentage	Number Held (direct and indirect)	Percentage
Neda Bizzotto	1,938 ⁽¹⁾	0.120%	701 ⁽⁹⁾	0.060%
Brenda Burns	942 ⁽²⁾	0.058%	18 ⁽¹⁰⁾	0.002%
Tim Hicks	15,099 ⁽³⁾	0.937%	1,028 ⁽¹¹⁾	0.088%
John Carswell	16,086 ⁽⁴⁾	0.998%	4,701 ⁽¹²⁾	0.403%
Tom Fernandes	1,000	0.062%	2,000	0.171%

Person	Class A Multiple Voting Shares		Class B Subordinate Voting Shares	
	Number Held (direct and indirect)	Percentage	Number Held (direct and indirect)	Percentage
Steve Klubi	-	-	6,200	0.531%
Tony MacDougall	-	-	400	0.034%
Joe Morin	3,127 ⁽⁵⁾	0.194%	5,234 ⁽¹³⁾	0.449%
Shirley Sumsion	9,892 ⁽⁶⁾	0.614%	1,406 ⁽¹⁴⁾	0.121%
Heather Mason-Wood	19,294 ⁽⁷⁾	1.197%	1,293 ⁽¹⁵⁾	0.111%
Canso Partners II Fund	176,916	10.979%	5,932	0.508%
GRIP Investments Ltd.	735,532 ⁽⁸⁾	45.644%	24,662 ⁽¹⁶⁾	2.114%
Canso Investment Counsel Ltd.	178,260	11.062%	7,276	0.624%

Notes:

1. 18 shares held indirectly through Canso Partners II Fund.
2. 542 shares held indirectly through Canso Partners II Fund.
3. 6,799 shares held indirectly through Canso Partners II Fund.
4. 17 shares held indirectly through Canso Partners II Fund.
5. 1,027 shares held indirectly through Canso Partners II Fund.
6. 192 shares held indirectly through Canso Partners II Fund.
7. 14,694 shares held indirectly through Canso Partners II Fund.
8. 17,717 shares held indirectly through Canso Partners II Fund.
9. 1 share held indirectly through Canso Partners II Fund.
10. All shares held through Canso Partners II Fund.
11. 228 shares held indirectly through Canso Partners II Fund.
12. 1 share held indirectly through Canso Partners II Fund.
13. 34 shares held indirectly through Canso Partners II Fund.
14. 6 shares held indirectly through Canso Partners II Fund.
15. 493 shares held indirectly through Canso Partners II Fund.
16. 594 shares held indirectly through Canso Partners II Fund.

Excluded Shareholders

To the knowledge of the directors and officers of CSOC, as at the date hereof, the following persons are “**Excluded Shareholders**” for the purposes of the Transaction Resolution: Grip Investments Ltd., John Carswell, Canso Partners II Fund, CIC, Timothy Hicks, Neda Bizzotto, Shirley Sumsion, Heather Mason-Wood, Joe Morin, Steve Klubi, Tom Fernandes, Tony MacDougall, Brenda Burns, Richard Usher-Jones, Brian Carney, Raj Vijh, Jeff Carter, Harold Won, Kim Carswell, and Natalie Carswell.

To the knowledge of CSOC, the Excluded Shareholders in aggregate beneficially own, directly or indirectly approximately hold 36.4% of the Corporation. The Excluded Shareholders will therefore abstain from voting for the purposes of obtaining the requisite approvals of the resolution with respect to the Transaction. The total number of votes held by the Excluded Shareholders, in aggregate, to be excluded from the vote are 28,606,380 votes from their Class A Multiple Voting Shares and 56,757 votes from their Class B Subordinate Voting Shares.

Person	Class A Multiple Voting Shares	Class B Subordinate Voting Shares
	Number Directly Held	Number Directly Held
Timothy Hicks	8,300	800
Neda Bizzotto	1,920	700
Brenda Burns	400	-
Heather Mason-Wood	4,600	800
John Carswell	16,069	4,700
Tom Fernandes	1,000	2,000
Steve Klubi	-	6,200
Tony MacDougall	-	400
Joe Morin	2,100	5,200
Shirley Sumsion	9,700	1,400
Canso Partners II Fund	176,916	5,932
GRIP Investments Limited	717,815	24,068
Canso Investment Counsel Ltd.	1,344	1,344
Richard Usher-Jones	400	-
Brian Carney	5,700	1,000

Person	Class A Multiple Voting Shares	Class B Subordinate Voting Shares
	Number Directly Held	Number Directly Held
Raj Vijn	400	-
Jeff Carter	200	200
Harold Won	200	200
Kim Carswell	4,669	0
Natalie Carswell	1,813	1,813
Grand Total	953,546	56,757

Transaction Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve by way of ordinary resolution, the resolutions set out below with respect to the Transaction:

“BE IT RESOLVED THAT, as an ordinary resolution of the shareholders:

1. The Corporation’s purchase of 70,000 Class A common shares of Lysander Funds Limited from Canso Fund Management Ltd. by issuing to Canso Fund Management Ltd. an aggregate of 2,440,239 Class B subordinate voting shares of the Corporation, pursuant to a share purchase agreement dated as of October 17, 2022, attached as Appendix “A” to the Management Information Circular of the Corporation dated November 29, 2022, is hereby approved.
2. Any one officer or director of the Corporation be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolutions.
3. Any acts undertaken by the Corporation with respect to this transaction are hereby ratified and approved.
4. The Board may revoke this resolution before it is acted upon, without further approval of the shareholders.”

Pursuant to MI 61-101, the Transaction Resolution requires the approval of a simple majority (50% + 1) of the holders of Class A Multiple Shares and Class B Subordinate Voting Shares, voting separately as classes of shares, other than such Shares beneficially owned, or over which control or direction is exercised by the Excluded Shareholders.

Securities Law Considerations

MI 61-101

Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) was adopted by the OSC and certain other securities regulatory authorities to govern transactions that raise the potential for conflicts of interest. MI 61-101 is intended to regulate insider bids, issuer bids, business combinations and related party transactions to ensure equality of treatment among securityholders, generally by requiring enhanced disclosure, minority securityholder approval, and, in certain instances, independent valuations and approval and oversight of certain transactions by a special committee of independent directors. Under MI 61-101, a “related party” of an entity includes, among others, a control person of the entity, common directors, executive officers and shareholders holding over 10% of the voting rights attached to the voting securities of the issuer. The Corporation and CFM are under indirect common control by John Carswell, a director and member of the Investment Committee of the Corporation. In addition, John Carswell, Heather Mason-Wood, Timothy Hicks, Neda Bizzotto and Shirley Sumsion are directors and/or officers of both the Corporation and CFM. Accordingly, the Corporation considers CFM to be a “related party” pursuant to MI 61-101.

The Corporation and CFM are related parties since they are both controlled directly and indirectly by John Carswell. John Carswell, a director of the Corporation and a member of the Investment Committee of CSOC, exercises direct or indirect control or direction over, approximately 46% of the voting rights of CSOC and beneficially owns, directly

or indirectly, approximately 28% of the Corporation. CFM is 100% owned by CIC, which is owned and controlled by GRIP Investment Ltd., John Carswell's holding company. In addition, John Carswell, a director of Lysander, exercises direct or indirect control or direction over, approximately 84% of Lysander and beneficially owns, directly or indirectly, approximately 61% of Lysander. As a result of the Transaction, John Carswell's direct and indirect proportionate ownership of CSOC will increase by approximately 14% and his direct and indirect control of CSOC will increase slightly by approximately 0.6%. As well, his proportionate ownership in Lysander will decrease slightly by 1.4% and his direct and indirect control of Lysander will decrease by approximately 1.9%.

Each of Timothy Hicks, Neda Bizzotto, Shirley Sumsion, Heather Mason-Wood and John Carswell are directors and/or senior officers of both CSOC and CFM. In the aggregate, they beneficially own, directly or indirectly approximately 30% and 68% of CSOC and Lysander, respectively. In addition, certain other directors and officers of CSOC, in the aggregate, beneficially own, directly or indirectly, approximately 0.7% of CSOC and approximately 2.3% of Lysander. As a result of the Transaction, their collective indirect proportionate ownership in CSOC will increase by approximately 18% and their collective indirect proportionate ownership in Lysander will decrease slightly by approximately 1.8%.

MI 61-101 permits issuers to complete related party transactions provided that certain disclosure requirements are met or that an exemption from such requirement is available to it. Unless an exemption is available, issuers contemplating a related party transaction must obtain a formal valuation with respect to the transaction and minority shareholder approval for the transaction. With respect to the Transaction, the Corporation need not obtain a formal valuation because it is an issuer listed on the TSX-V and may rely on the exemption available to it pursuant to section 5.5(b) of MI 61-101 *Issuer Not Listed on Specified Markets*. However, the Corporation's Special Committee decided not to rely on the exemption from the formal valuation requirement and retained Blair Franklin, in its capacity as an independent financial advisor, to provide a formal valuation in respect of the value of the Lysander Class A Shares being purchased by the Corporation. There is no exemption available to the Corporation with respect to the minority approval requirement under MI 61-101.

Blair Franklin, in its capacity as an independent financial advisor, has provided a Fairness Opinion to the Special Committee, stating that, in their opinion and subject to the assumptions, limitations and qualifications contained in the Fairness Opinion, as of the date of the Fairness Opinion, the Consideration paid for the Lysander Class A Shares is fair, from a financial point of view, to the Corporation.

Minority Approval

Part 8 of MI 61-101 states that if minority approval is required for a related party transaction, it shall be obtained from the holders of every class of affected securities of the issuer, in each case voting separately as a class. Under MI 61-101, "affected securities" for a related party transaction includes equity securities of an issuer and an "equity security" includes securities of an issuer that carry a residual right to participate in the earnings of the issuer and, on liquidation or winding up of the issuer, in its assets. Holders of Class A Multiple Voting Shares have both dividend and liquidation rights with respect to the Corporation. Holders of Class B Subordinate Voting Shares also have dividend and liquidation rights with respect to the Corporation. Therefore, holders of both the Class A Multiple Voting Shares and Class B Subordinate Voting Shares are required to vote to approve the Transaction and such approval will be obtained separately from each class.

In relation to the approval of the Transaction, "minority approval" requires the approval of a simple majority (50% + 1) of the holders of each of the Class A Multiple Voting Shares and the Class B Subordinate Voting Shares excluding the Shares beneficially owned, or over which control or direction is exercised by: (a) the issuer; (b) an interested party; (c) a "related party" to such interested party within the meaning of MI 61-101 (subject to certain exceptions); and (d) any person that is a joint actor with any party referred to in (b) or (c). The Excluded Shareholders hold an aggregate of 953,546 Class A Multiple Voting Shares and 56,757 Class B Subordinate Voting Shares. CSOC shall exclude the votes attached to the Shares held by the Excluded Shareholders for the purpose of determining minority approval with respect to the Transaction Resolution.

RISK FACTORS

Shareholders should carefully consider the following risks related to the Transaction and the Corporation. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Corporation, may also adversely affect it and the Transaction. The following risk factors are not a definitive list of all risk factors associated with the Transaction.

Risks Relating to the Transaction

Required Shareholder Approval

The Transaction Resolution requires that the Transaction be approved by the affirmative vote of the majority of minority Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat, excluding the votes cast by Excluded Shareholders. The Corporation does not have many securities outstanding and is thinly traded. Many of its Shares are held by persons affiliated with the Corporation and who may be Excluded Shareholders. There can be no certainty, nor can the Corporation provide any assurance, that the required shareholder approval of minority shareholders will be obtained. If the required shareholder approval is not obtained, the Corporation will not be able to complete the Transaction.

Failure to Obtain Required Regulatory Approvals

The Transaction is conditional upon the receipt of approval from the TSX-V and the OSC. There can be no certainty that CSOC will obtain the approval of the TSX-V or that the OSC will permit the Lysander Class A Shares to be transferred. Both approvals are required and a failure to obtain either one will terminate the Transaction, which may adversely affect the Corporation.

No Assurance of Future Performance

Historic and current performance of the business of the Corporation and Lysander may not be indicative of success in future periods. The future performance of the Corporation and Lysander may be influenced by, among other factors, market pressures, economic downturns, interest rate increases or decreases and other factors beyond the control of either the Corporation or Lysander. There can be no guarantee that Lysander will continue to declare dividends and that the Corporation will be able to effectively invest any such dividends for the benefit of Shareholders. Any one or more of these factors may negatively affect the operations and financial performance of the Corporation and Lysander, which may, in turn, adversely affect the Corporation's financial results and the perceived benefits of the Transaction.

Limited Liquidity

Lysander is a privately held corporation and as such, the Lysander Class A Shares have limited liquidity. There is no market for the sale of Lysander Class A Shares. Further CSOC will be bound by the terms of the shareholder agreement to be entered into upon purchase of the Lysander Class A Shares, which will further restrict the ability of CSOC to trade such shares. As a result, the Corporation will not be able to transfer the Lysander Class A Shares to realize upon any increase in value easily and may be required to incur significant time, effort and cost in the future with respect to any proposed transfer or sale of the Lysander Class A Shares.

Management of Lysander's Growth

Lysander's rapid expansion discussed under the heading "*Reasons for the Recommendations*" may subject Lysander to growth-related risks, including capacity constraints and pressure on internal systems and controls. The ability of Lysander to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expend, train and manage its employee base. The inability of Lysander to successfully deal with this growth could have a material adverse impact on its business, operations and prospects. There can also be no certainty that Lysander will continue to grow, which may stall, delay or discontinue the practice of declaring dividends for Lysander shareholders. The rapid growth in AUM at Lysander is in large part due to growth in the various funds

where CIC acts as portfolio manager. There can be no certainty that CIC will continue to generate attractive returns, and weak performance by CIC could lead to a decline in AUM over time.

Reliance on the Opinions

A valuation is an estimate of market value. It is not a precise measure of value but is based on a subjective comparison of related activity taking place in the market. The Valuation is based on various assumptions of future expectations and management forecasts. While management's internal forecasts for the business, as may be adjusted, were considered reasonable as of the date of the Valuation, some of the assumptions may not materialize or may differ materially from actual experience in the future. The Fairness Opinion is directed only to the fairness to the Corporation, from a financial point of view, of the consideration payable to the Lysander shareholders in connection with the Transaction. The Fairness Opinion does not address the relative merits of the Transaction and as compared to other business strategies or transactions that might be available to CSOC or the underlying business decision of the Corporation to effect the Transaction. The Opinions do not constitute a recommendation by Blair Franklin to any Shareholder of the Corporation as to how such Shareholder should vote or act with respect to any matters relating to the Transaction.

Completion of the Transaction is Subject to the Satisfaction or Waiver of Conditions Precedent

The completion of the Transaction is subject to a number of conditions precedent, some of which are outside the control of the parties to the Agreement, including obtaining the required approvals from Shareholders and the TSX-V, as well as the regulatory approval from the OSC in respect of the Lysander, there having been no material adverse change with respect to Lysander since the date of the Agreement, and satisfying customary closing conditions. There can be no certainty, nor can the parties to the Agreement provide any assurance, that all conditions precedent to the Transaction will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. If the Transaction is not completed for any reason, there are risks that the announcement of the Transaction and the dedication of substantial resources of the Corporation to the completion thereof could have a negative impact on the Corporation's current business relationships and could have a material adverse effect on the Corporation's current and future operations, financial condition and prospects.

The Agreement May Be Terminated

The parties may terminate the Agreement in certain circumstances, including as a result of a failure to satisfy all necessary closing conditions. Accordingly, there is no certainty, nor can the Corporation provide any assurance, that the Agreement will not be terminated by either of the parties before the completion of the Transaction. If the Transaction does not close, the Corporation will still be required to pay the costs of the Transaction in terms of special advisor fees and the time and energy of management spent on negotiating and papering the Transaction. Failure to complete the Transaction could materially negatively impact the market price of the Shares or otherwise adversely affect the business of the Corporation. If the Transaction is not completed, the market price of the Shares may decline.

Possible Failure or Delay in the Transaction

The Corporation currently expects that the Transaction will close on or about January 13, 2023. The closing of the Transaction is subject to the receipt of the required approvals and the satisfaction of certain closing conditions. There is no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. A substantial delay in obtaining the required approvals or the imposition of unfavourable terms or conditions in the approvals could have a material adverse effect on the Corporation's ability to complete the Transaction and on the Corporation's or Lysander's business, financial condition or results of operations. The Corporation intends to complete the Transaction as soon as practicable after obtaining the required approvals and

satisfying the required closing conditions. If the Transaction is not completed as contemplated, the Corporation could suffer adverse consequences, including the loss of investor confidence.

Directors and Officers of the Parties May Have Interests that are Different From Those of Shareholders

Shareholders should be aware that directors and officers of CSOC, CFM and Lysander have interests in connection with the Transaction as described herein that may be in addition to, or separate from, those of Shareholders. See “Ownership of Securities” and “Securities Law Considerations”.

The Transaction Could Divert the Attention of the Corporation’s Management

The pendency of the Transaction could cause the attention of the Corporation’s management to be diverted from the day-to-day operations of the Corporation. These disruptions could be exacerbated by a delay in the completion of the Transaction and could have an adverse effect on the business, operating results or prospects of the Corporation, which could have a material and adverse effect on the business, financial condition, results of operations or prospects of the Corporation.

Market Price of the Shares

If, for any reason, the Transaction is not completed or its completion is materially delayed and/or the Agreement is terminated, the market price of the Shares may be materially adversely affected. The Corporation’s business, financial condition or results of operations could also be subject to various material adverse consequences, including that CSOC may remain liable for the expenses relating to the Transaction discussed under the heading “Expenses Incurred in Connection with the Transaction”. In addition, the Transaction will not necessarily improve the discount of the Shares to NAV. There will be no immediate increase in the public float of the Shares, so it is likely that they will continue trading at a discount to NAV. Although management believes that the discount to NAV may narrow, it may not narrow materially in the near future.

Risks Relating to the Corporation

The Interests of the Controlling Shareholder

As of the date hereof, John Carswell owns and exercises direct and indirect control or direction over approximately 46.5% of Class A Multiple Voting Shares and approximately 2.5% of Class B Subordinate Voting Shares through his direct and indirect beneficial ownership and control or direction over GRIP Investments Limited, his personal holding company. As a result, Mr. Carswell has the power to exercise significant influence over all matters requiring shareholder approval, including the election of directors, amendments to the Corporation’s articles of incorporation, amalgamations, mergers and plans of arrangements under Canadian law, or the sale of all or substantially all of the Corporation’s assets. Furthermore, the Corporation could be prevented from entering into transactions that could be beneficial to the Corporation or other shareholders or third parties could be discouraged from making an offer or take-over bid to acquire the Corporation at a price per share that is above the then-current market price.

The Corporation will continue to face the risks that it currently faces with respect to its affairs, business and operations. Such risk factors are set forth and described in the Corporation’s most recent annual report and MD&A available under the Corporation’s issuer profile on SEDAR at www.sedar.com.

MARKET TRADING IN ISSUER

The Transaction was announced on October 17, 2022. Immediately before this announcement, the market price of the Class A Multiple Voting Shares and Class B Subordinate Voting Shares was \$1.75 and \$1.75 respectfully. The following table sets forth the reported high and low closing sale prices and the aggregate volume of trading of the Class A Multiple Voting Shares and Class B Subordinate Voting Shares on the TSX-V during the six months preceding the date of this Circular:

Month (2022)	Class A Multiple Voting Shares		Class B Subordinate Voting Shares	
	Price Range	Volume	Price Range	Volume

	High	Low		High	Low	
November 14	\$1.90	\$1.90	500	\$2.10	\$1.91	200
October	\$2.00	\$1.75	7,100	\$2.05	\$1.75	26,600
September	\$1.75	\$1.75	600	\$1.75	\$1.70	700
August	\$1.85	\$1.75	500	\$1.70	\$1.70	0
July	\$1.92	\$1.85	800	\$1.70	\$1.70	0
June	\$2.10	\$1.85	3,741	\$2.05	\$1.70	12,795
May	\$2.15	\$2.10	3,100	\$2.40	\$1.95	18,415

COMMITMENTS TO ACQUIRE SHARES OF ISSUER

Other than the Agreement, attached to this Circular as Appendix “A”, with respect to the Transaction contemplated herein, there are no other agreements, commitments or understandings to acquire Shares of the Corporation.

PREVIOUS PURCHASES, SALES AND DISTRIBUTIONS

The Corporation did not issue any Class A Multiple Voting Shares and Class B Subordinate Voting Shares during the 12-month period prior to the date of this Circular. As of November 14, 2022, there were 1,611,460 Class A Multiple Voting Shares and 1,166,738 Class B Subordinate Voting Shares of the Corporation issued and outstanding.

As a result of the arrangement completed on September 4, 2018 between the Corporation and Canso Select Opportunities Fund, the Corporation issued 1,621,443 Class A Multiple Voting Shares at a price of \$5.00 per Class A Multiple Voting Share and 1,156,730 Class B Subordinate Voting Shares at a price of \$5.00 per Class B Subordinate Voting Share. No additional Class A Multiple Voting Shares or Class B Subordinate Voting Shares have been issued since the arrangement was completed.

DIVIDEND POLICY

The Corporation has not declared a dividend since the plan of arrangement involving the Corporation and Canso Select Opportunities Fund was completed on September 4, 2018. The Corporation does not intend to declare a dividend or to alter its dividend policy at this time.

EXPENSES INCURRED IN CONNECTION WITH THE TRANSACTION

The Corporation has incurred or expects to incur various costs and fees in connection with the Transaction, including, without limitation, in relation to the formation of the Special Committee, the engagement of qualified financial and legal advisors, and the delivery of proxy materials to the Beneficial Owners. The Corporation estimates these expenses to amount to approximately \$183,247.00. The Agreement provides for the sharing of all costs and expenses incurred in connection with the Transaction among CSOC and CFM.

SHARES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of the date of this Circular, the Corporation does not have any equity compensation plan.

MANAGEMENT CONTRACTS

On August 1, 2018, CSOC entered into an operational services agreement with CIC. The operational services agreement sets out that CIC will provide the day-to-day operational services to carry out the business affairs of CSOC. On August 1, 2022, this arrangement was extended for a further 12 months.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth herein, to the knowledge of the directors and executive officers of CSOC, there are no material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of CSOC at any time since the beginning of its most recently completed financial year,

or of any associate or affiliate of any of the foregoing, in the matters set forth in the accompanying Notice of Meeting, other than the election of the directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, management of CSOC is not aware of any material interest, direct or indirect, of any director or executive officer of CSOC, any person who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Shares, or any other "informed person" (as defined in NI 51-102) or any associate or affiliate of such persons, in any transaction since the commencement of CSOC's most recently completed financial year or in any proposed transaction which has materially affected, or is reasonably expected to materially affect, CSOC or any of its subsidiaries.

ADDITIONAL INFORMATION

The Corporation shall provide to Shareholders, upon request to the CEO at info@selectopportunitiescorporation.com, one copy of the most recently filed comparative annual financial statements of CSOC together with the report of the auditor thereon and any interim financial statements of CSOC that have been filed for any period after the end of its most recently completed financial year, as well as the related management's discussion and analysis ("MD&A"). Financial information is provided in CSOC's comparative annual financial statements and MD&A for the year ended December 31, 2021. Additional information regarding CSOC is also available on SEDAR at www.sedar.com or on the Corporation's website at www.selectopportunitiescorporation.com.

APPROVAL BY THE BOARD OF DIRECTORS

The Board of Directors of the Corporation has approved the contents and sending of this management information circular.

CERTIFICATE

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

(signed) "Joe Morin"

Joe Morin
President and Chief Executive Officer

Appendix “A” – Share Purchase Agreement

THIS SHARE PURCHASE AGREEMENT made the 17th day of October, 2022.

B E T W E E N:

CANSO FUND MANAGEMENT LTD., a corporation amalgamated under the laws of the Province of Ontario,

(the “**Vendor**”),

- and –

CANSO SELECT OPPORTUNITIES CORPORATION, a corporation incorporated pursuant to the laws of the Province of Ontario,

(the “**Purchaser**”).

- and -

LYSANDER FUNDS LIMITED, a corporation incorporated pursuant to the laws of the Province of Ontario

(“**Lysander**”)

RECITALS:

- A. The Vendor is the beneficial owner of SEVENTY THOUSAND (70,000) class A common shares of Lysander (the “**Purchased Shares**”).
- B. The Vendor has agreed to sell and the Purchaser has agreed to purchase from the Vendor all of the Purchased Shares upon the terms and conditions hereinafter set forth (the “**Transaction**”).
- C. The Vendor, the Purchaser and Lysander are “related parties” pursuant to MI 61-101 (as defined herein) and, as such, the purchase and sale of the Purchased Shares constitutes a “related party transaction” (as defined in MI 61-101) for the Purchaser.
- D. The Purchaser has obtained a formal valuation prepared by Blair Franklin Capital Partners Inc. (“**Blair Franklin**”) in connection with the purchase and sale of the Purchased Shares and will seek Purchaser Shareholder Approval (as defined herein) in accordance with this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the respective covenants and agreements contained in it, the parties agree as follows:

**ARTICLE 1
DEFINITIONS**

Whenever used in this Agreement, the following words and terms have the meanings set out below:

- 1.1 “**Agreement**” means this Share Purchase Agreement, including all schedules, and all amendments or restatements, as permitted, and references to “Article”, “Section”, “Schedule” or “Exhibit” mean the specified Article or Section of, or Schedule or Exhibit to, this Agreement.

- 1.2 **“Closing”** means the completion of the transactions contemplated by this Agreement.
- 1.3 **“Closing Date”** means January 13, 2023, or such other date as may be mutually agreed to by the Purchaser and the Vendor.
- 1.4 **“Consideration Shares”** means 2,440,239 class B subordinate voting shares in the capital of the Purchaser (“Class B Subordinate Voting Shares”).
- 1.5 **“Effective Time”** has the meaning set forth in Section 8.2.
- 1.6 **“Elected Amount”** means such amount as may be determined by the Vendor acting in its sole and absolute discretion.
- 1.7 **“Election”** has the meaning set forth in Section 2.6.
- 1.8 **“Encumbrances”** means claims, pledges, liens, charges, security interests, leases, title retention agreements, mortgages, restrictions, developments or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever;
- 1.9 **“Exchange Approval”** means the approval of TSX Venture Exchange with respect to the issuance of the Consideration Shares and the Transaction.
- 1.10 **“Fair Market Value”** means, with respect to the Purchased Shares, the value thereof, determined by applying generally accepted valuation principles with a view to determining the highest price available in an open and unrestricted market between informed and prudent parties acting at arm’s length and under no compulsion to act, and expressed in Canadian dollars.
- 1.11 **“Governmental Authority”** means (a) any national, provincial, federal, state, territorial, municipal, local, domestic or foreign government or political subdivision thereof (whether administrative, legislative, executive or otherwise), (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, commission (including securities commissions), board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial, investigative, enforcement or administrative powers or functions of, or pertaining to, government, (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions, including any securities commissions, regulators or administrators, and (d) any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority or any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association or self-regulatory organization, including IIROC.
- 1.12 **“Governmental Order”** means any order, directive, writ, judgment, injunction, decree, stipulation, restriction, condition, decision, ruling, relief, exemption, approval, determination or award entered by or with any Governmental Authority.
- 1.13 **“ITA”** means the *Income Tax Act* (Canada) and regulations thereto, as amended from time to time.
- 1.14 **“Laws”** means applicable laws (including common law or civil law), statutes, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, treaties, policies, notices, directions, decrees, judgments, awards or requirements, in each case of any Governmental Authority.

- 1.15 **“Losses”** means assessments or reassessments, judgments, debts, liabilities, penalties, fines, expenses, costs, damages or losses, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.
- 1.16 **“Lysander”** means Lysander Funds Limited.
- 1.17 **“Material Adverse Change”** means (i) any fact or state of facts, circumstance, change, effect, occurrence or event which either individually is or collectively in the aggregate are, or either individually or collectively in the aggregate would reasonably be expected to be, materially adverse to the business, operations, results of operations, properties, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of the Purchaser, Vendor, or Lysander, taken as a whole, except to the extent of any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with: (a) the announcement of the execution of this Agreement or the transactions contemplated herein; or (b) any change in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, regulatory, or market conditions, or in national or global financial or capital markets; or (c) any change generally affecting the industries in which the Purchaser, Vendor or Lysander conduct business; or (d) any natural disaster or public health pandemic; or (ii) any fact or state of facts, circumstance, change, effect, occurrence or event which, either individually or collectively in the aggregate is or would reasonably be expected to be materially adverse to the ability of the Purchase or Vendor to complete or consummate the transactions contemplated by this Agreement.
- 1.18 **“MI 61-101”** means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators.
- 1.19 **“Outside Date”** has the meaning set forth in Section 10.1(b).
- 1.20 **“Person”** means any individual, sole proprietorship, partnership, firm, entity, joint venture, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.
- 1.21 **“Purchase Price”** means an amount equal to the Fair Market Value of the Purchased Shares, which the parties have determined to be \$12,250,000.
- 1.22 **“Purchased Shares”** has the meaning set forth in the recitals of this Agreement.
- 1.23 **“Purchaser Circular”** means the notice of the Purchaser Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Purchaser Shareholders in connection with the Purchaser Meeting, as amended, supplemented or otherwise modified from time to time.
- 1.24 **“Purchaser Class A Shareholders”** means the holders of multiple voting class A shares of the Purchaser.
- 1.25 **“Purchaser Class B Shareholders”** means the holders of subordinate voting class B shares of the Purchaser.
- 1.26 **“Purchaser Meeting”** means the special meeting of Purchaser Shareholders, including any adjournment or postponement thereof, to be called for the purpose of obtaining Purchaser Shareholder Approval.

- 1.27 **“Purchaser Shareholder Approval”** means the approval of the issuance of the Consideration Shares and the purchase of the Purchased Shares at the Purchaser Meeting by the Purchaser Class A Shareholders and Purchaser Class B Shareholders, each voting as a class in accordance with the “minority approval” requirements of Part 8 of MI 61-101.
- 1.28 **“Purchaser Shareholders”** means Purchaser Class A Shareholders and Purchaser Class B Shareholders.
- 1.29 **“Required Approvals”** means (i) the Exchange Approval; (ii) approval of the Ontario Securities Commission for the transfer of shares to the Purchaser; and (iii) the Purchaser Shareholder Approval.
- 1.30 **“Transaction”** has the meaning set forth in the recitals of this Agreement.

ARTICLE 2 PURCHASE AND SALE OF THE PURCHASED SHARES

- 2.1 Subject to the terms and conditions of this Agreement, effective as at the Effective Time, the Vendor agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, all of the Vendor’s right, title and interest in and to the Purchased Shares, free and clear of all Encumbrances, in consideration of the Purchase Price.
- 2.2 The Purchase Price for the Purchased Shares shall be paid and satisfied by the Purchaser issuing the Consideration Shares to the Vendor.
- 2.3 Upon Closing and subject to the terms and conditions of this Agreement, the Vendor shall transfer and deliver to the Purchaser (i) share certificates representing the Purchased Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case by the holders of record, and shall take such steps as shall be necessary to cause Lysander to enter the Purchaser or its nominee(s) upon the books of Lysander as the holder of the Purchased Shares and to issue one or more share certificates to the Purchaser or its nominee(s) representing the Purchased Shares.
- 2.4 Upon Closing, and subject to the terms and conditions of this Agreement, the Purchaser shall issue to the Vendor the Consideration Shares electronically or by way of share certificate, containing the legend required under applicable securities Laws.
- 2.5 The parties covenant and agree that, notwithstanding the foregoing, for income and corporation tax purposes the acquisition cost to the Purchaser and the proceeds of the disposition to the Vendor of the Purchased Shares shall be deemed to be an amount equal to the Elected Amount.
- 2.6 At the request of the Vendor, in its sole discretion, the Purchaser and Vendor shall execute and file with the appropriate bodies an election under Subsection 85(1) of the ITA and the applicable provisions of any provincial tax statute in prescribed form and within the prescribed time (an “Election”). The Elected Amount in any Election shall be such amount, within the limits prescribed under Subsection 85(1) of the ITA, as may be determined by the Vendor acting in its sole and absolute discretion. The Vendor shall prepare any such Election(s) and the sole responsibility of the Purchaser shall be to complete any information that pertains to it and to the execute and return a copy of such Election(s) to the Vendor. The Vendor shall be solely responsible for duly and timely filing any such Election(s) and shall provide a copy of any filed Election to the Purchaser.

- 2.7 In circumstances where an Election is filed in respect of the sale of Purchased Shares, the Purchaser and Vendor covenant, acknowledge and agree that for income tax purposes the acquisition cost to the Purchaser and the proceeds of disposition to the Vendor of the Purchased Shares shall be deemed to be the Elected Amount.
- 2.8 The Purchaser agrees that, notwithstanding the Purchase Price and in accordance with Section 24(3) of the *Business Corporations Act* (Ontario), it will add to the stated capital account maintained in respect of the Consideration Shares an amount equal to the paid up capital of the Purchased Shares as determined pursuant to the applicable provisions of the ITA.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

- 3.1 The Vendor represents and warrants as follows and acknowledges that the Purchaser is relying upon such representations and warranties in connection with the purchase of the Purchased Shares from the Vendor provided for in this Agreement:
- (a) the Vendor is a corporation duly amalgamated, organized and validly existing under the laws of the Province of Ontario;
 - (b) the Vendor has the full corporate power and authority to enter into this Agreement to carry out its obligations hereunder and to consummate the transactions contemplated hereby, and this Agreement has been duly authorized, executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor;
 - (c) the Vendor is the owner of the Purchased Shares with good and valid title thereto, free and clear of any Encumbrances of any nature whatsoever and has the exclusive right and full power to sell, assign, transfer and deliver the Purchased Shares to the Purchaser free and clear of any Encumbrances whatsoever;
 - (d) the execution and delivery by the Vendor of this Agreement do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the organizational documents of the Vendor, (ii) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Vendor, (iii) require the consent, notice or other action by any Person or (iv) result in the creation or imposition of any Encumbrances applicable to the Vendor. No consent, approval, permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Purchased Shares.
 - (e) no Person has any agreement, option or any rights capable of becoming an agreement or option for the acquisition from the Vendor of any number of the Purchased Shares;
 - (f) the Purchased Shares are not subject to the terms of any shareholders agreement;
 - (g) all necessary corporate actions and proceedings have been taken by the Vendor to permit the due and valid sale of the Purchased Shares by the Purchaser from the Vendor;
 - (h) no suits, actions or other legal proceedings of any sort are pending or are threatened which would restrain or otherwise prevent, in any manner, the Vendor from effectually and legally transferring the Purchased Shares to the Purchaser free and clear of any and all Encumbrances; nor are there any suits, actions or other legal proceedings, the effect of which would be to cause a lien to attach to the Purchased Shares, to divest title to the Purchased Shares or make the Purchaser, the Vendor, or any of them liable for damages,

pending or threatened, and the Vendor has no knowledge of any claims which could give rise to such a suit, action or legal proceeding;

- (i) the Vendor is not insolvent, has not committed an act of bankruptcy, proposed a compromise or arrangement to the Vendor's creditors generally, had any petition for a receiving order in bankruptcy filed against the Vendor, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to declare bankruptcy, taken any proceeding to have a receiver appointed over any part of the Vendor's assets, had any encumbrancer take possession of any of the Vendor's property, or had any execution or distress become enforceable or become levied upon any of the Vendor's property; and
- (j) the Vendor is not a "non-resident" within the meaning of the ITA.

3.2 The Purchaser represents and warrants as follows and acknowledges that the Vendor is relying upon such representations and warranties in connection with the sale by the Vendor of the Purchased Shares to the Purchaser provided for in this Agreement:

- (a) the Purchaser is a corporation duly incorporated, organized and validly existing under the laws of the Province of Ontario;
- (b) the Purchaser has the full corporate power and authority to enter into this Agreement to carry out its obligations hereunder and to consummate the transactions contemplated hereby, and this Agreement has been duly authorized, executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser;
- (c) subject to obtaining the Required Approvals, the execution and delivery by the Purchaser of this Agreement and the consummation of the transactions contemplated hereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation or other organizational documents of the Buyer, (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Purchaser or (c) require the consent, notice or other action by any Person. Other than the Required Approvals, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any governmental authority is required by or with respect to this Agreement;
- (d) no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement;
- (e) all necessary corporate actions and proceedings have been taken by the Purchaser to permit the due and valid purchase of the Purchased Shares by the Purchaser from the Vendor; and
- (f) the Purchaser is not a "non-resident" within the meaning of the ITA.

3.3 Lysander represents and warrants as follows and acknowledges that the Purchaser is relying upon such representations and warranties in connection with the sale by the Vendor of the Purchased Shares to the Purchaser provided for in this Agreement:

- (a) the Purchased Shares have been duly and validly issued and are outstanding as fully paid and non-assessable shares of Lysander;
- (b) no suits, actions or other legal proceedings of any sort are pending or are threatened against Lysander and Lysander has no knowledge of any claims which could give rise to such a suit, action or legal proceeding;
- (c) Lysander is not insolvent, has not committed an act of bankruptcy, proposed a compromise or arrangement to Lysander's creditors generally, had any petition for a receiving order in bankruptcy filed against Lysander, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to declare bankruptcy, taken any proceeding to have a receiver appointed over any part of Lysander's assets, had any encumbrancer take possession of any of Lysander's property, or had any execution or distress become enforceable or become levied upon any of Lysander's property;
- (d) the business of Lysander has been and are now conducted in the ordinary course, and there has not been any event, occurrence, development or state of circumstances or facts that was or would be reasonably expected to be, individually or in the aggregate, a Material Adverse Change with respect to Lysander; and
- (e) the business and operations of Lysander have been and are now conducted in compliance in all material respects with all Laws of each jurisdiction the Laws of which have been and are now applicable to the business, products or services of Lysander and Lysander has not received any notice of any alleged material violation of any such Laws that remains unresolved or outstanding. Lysander has developed and implemented corporate policies and procedures designed to provide for compliance in all material respects with applicable Laws and has complied with such policies and procedures in all material respects.

ARTICLE 4 COVENANTS

- 4.1 The Purchaser agrees to convene and conduct the Purchaser Meeting in accordance with the Purchaser's articles, by-laws and applicable Law as soon as reasonably practicable.
- 4.2 The Purchaser shall: (i) prepare the Purchaser Circular together with any other documents required by applicable Laws; (ii) file the Purchaser Circular in all jurisdictions where the same is required to be filed; and (iii) mail the Purchaser Circular as required in accordance with all applicable Laws.
- 4.3 Lysander shall seek and obtain the approval of the Ontario Securities Commission with respect to the Transaction.
- 4.4 The Vendor, the Purchaser and Lysander mutually covenant and agree that upon the execution of this Agreement, each of the parties hereto will execute and deliver any additional document, instrument, conveyance or assurance, and take any further action, as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.
- 4.5 Unless otherwise required by applicable Law no party hereto may make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other.

ARTICLE 5
CONDITIONS TO OBLIGATIONS OF ALL PARTIES

- 5.1 The transaction contemplated herein is subject to the following conditions:
- (a) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the Transaction illegal, otherwise materially restraining or prohibiting consummation of the Transaction or causing the Transaction to be rescinded following completion thereof; and
 - (b) the Purchaser shall enter into a shareholders' agreement with Lysander and Grip Investments Limited, the controlling shareholder of Lysander, in form and substance satisfactory to the Purchaser, to be effective as of the Effective Time.

ARTICLE 6
CONDITIONS TO PURCHASER'S OBLIGATIONS

- 6.1 The obligation of the Purchaser to consummate the Transaction is subject to the satisfaction or, at the Purchaser's option, waiver of each of the following conditions on or prior to the Closing Date:
- (a) Purchaser Shareholder Approval shall have been obtained;
 - (b) the representations and warranties contained in Section 3.1 shall be true and correct in all respects when made and as of the Closing Date with the same effect as though made at and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct as of that specified date);
 - (c) the Vendor shall have performed or complied with, in all material respects, all of its obligations and covenants under this Agreement and the Purchaser shall have received a certificate of the Vendor addressed to the Purchaser and dated the Closing Date confirming the same as at the Effective Time;
 - (d) the Purchaser shall have received an independent valuator's valuation report on Lysander and on the Purchased Shares;
 - (e) all documentation relating to the authorization and completion of the sale and purchase of the Purchased Shares under this Agreement shall be satisfactory to the Purchaser, acting reasonably, and the Purchaser shall have received copies of all such documentation as it may reasonably request;
 - (f) Exchange Approval shall have been obtained;
 - (g) there shall have been no Material Adverse Change with respect to either the Vendor or Lysander since the date of this Agreement.

The conditions in this ARTICLE 6 are for the exclusive benefit of the Purchaser and may be asserted by the Purchaser regardless of the circumstances or may be waived in writing by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

ARTICLE 7
CONDITIONS TO VENDOR'S OBLIGATIONS

- 7.1 The obligation of the Vendor to consummate the transaction is subject to the satisfaction or, at the Vendor's option, waiver of each of the following conditions on or prior to the applicable Closing Date:
- (a) Purchaser Shareholder Approval shall have been obtained.
 - (b) the representations and warranties contained in Section 3.2 shall be true and correct in all respects when made and as of the Closing Date with the same effect as though made at and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct as of that specified date).
 - (c) the Purchaser shall have performed or complied with, in all material respects, all of its obligations and covenants under this Agreement and the Vendor shall have received a certificate of the Purchaser addressed to the Vendor and dated the Closing Date confirming the same as at the Effective Time.
 - (d) All documentation relating to the authorization and completion of the sale and purchase of the Purchased Shares under this Agreement shall be satisfactory to the Vendor, acting reasonably, and the Vendor shall have received copies of all such documentation as it may reasonably request.
 - (e) The distribution of the Consideration Shares shall be exempt from the prospectus requirements of Canadian securities Laws.
 - (f) there shall have been no Material Adverse Change with respect to either the Purchaser or Lysander since the date of this Agreement.

The conditions in this Article 7.1 are for the exclusive benefit of the Vendor and may be asserted by the Vendor regardless of the circumstances or may be waived in writing by the Vendor in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

ARTICLE 8
CLOSING

- 8.1 Subject to the terms and conditions of this Agreement, the consummation of the transaction contemplated by this Agreement in respect of the Purchased Shares (the "**Closing**") will take place (a) electronically or (b) at such other place and in such other manner as is mutually agreeable to the Vendor and the Purchaser.
- 8.2 The Closing shall occur at 9:00 AM Toronto local time on the (3rd) Business Day following the day on which the last of the conditions set forth in ARTICLE 5, ARTICLE 6 and ARTICLE 7 have been satisfied (the "**Effective Time**").

ARTICLE 9 INDEMNIFICATION

- 9.1 Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein will survive Closing and will remain in full force and effect until the eighteen (18)-month anniversary of the Closing Date.
- 9.2 Notwithstanding the limits in Section 9.1, in the case of fraud, gross negligence, intentional misrepresentation or deliberate or willful breach, liability will survive and continue in full force and effect without limitation of time.
- 9.3 Subject to the other terms and conditions of this Article 9, the Vendor will indemnify and defend the Purchaser against, and will hold it harmless from and against, and will pay and reimburse it for, any and all Losses incurred or sustained by it arising out of, with respect to or by reason of any inaccuracy in or breach of any of the representations or warranties of the Vendor contained in this Agreement.
- 9.4 Subject to the other terms and conditions of this Article 9, the Purchaser will indemnify and defend the Vendor against, and will hold it harmless from and against, and will pay and reimburse it for, any and all Losses incurred or sustained by it arising out of, with respect to or by reason of any inaccuracy in or breach of any of the representations or warranties of the Vendor contained in this Agreement.
- 9.5 Nothing in this Agreement in any way restricts or limits the general obligation under Law of an indemnitee to mitigate any Loss which it may suffer or incur by reason of a breach by an indemnitor under this Agreement or in any contract, agreement, instrument, certificate of other document delivered pursuant to this Agreement.

ARTICLE 10 TERMINATION

- 10.1 This Agreement may be terminated at any time prior to Closing:
- (a) by the mutual written consent of the Vendor and the Purchaser;
 - (b) by either the Vendor or the Purchaser by written notice to the other, if the Transaction is not consummated by April 30, 2023 (the “**Outside Date**”);
 - (c) by either the Purchaser or the Vendor if the Purchaser Shareholder Approval is not obtained at the Purchaser Meeting (including any adjournment or postponement thereof);
 - (d) by either the Purchaser or the Vendor if Lysander has not obtained the approval of the Ontario Securities Commission by the Outside Date;
 - (e) by the Purchaser if the Exchange Approval is not obtained by the Outside Date;
 - (f) by the Purchaser if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Vendor set forth in this Agreement shall have occurred that would cause the conditions set forth in ARTICLE 5 and ARTICLE 6 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date as reasonably determined by the Purchaser;

- 10.2 If this Agreement is terminated pursuant to Article 10.1, all obligations of the parties pursuant to this Agreement will terminate without further liability of any party to any other party.
- 10.3 Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby will be paid: (i) by the Vendor with respect to the first \$250,000 in costs, (b) by the Purchaser with respect to the next \$250,000 in costs, and (iii) equally by the Vendor and Purchaser for any amounts in excess of \$500,000.

ARTICLE 11 NOTICE

- 11.1 All notices, requests, consents, claims, demands, waivers and other communications hereunder will be in writing and will be deemed to have been given (a) when delivered by hand (with written confirmation of receipt), (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested), (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third (3rd) Business Day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. The parties acknowledge that the delivery of any such notice, request, consent, claim, demand, waiver or other communication to the Person identified below as the recipient of notice will be deemed to be properly delivered if given pursuant to this Section 11.1. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as will be specified in a notice given in accordance with this Section 11.1):

- (a) If to the Vendor:

Canso Fund Management Ltd.
100 York Boulevard, Suite 550
Richmond Hill ON, L4B 1J8

Attention: Brian Carney, Vice-President

- (b) If the Purchaser:

Canso Select Opportunities Corporation
100 York Boulevard, Suite 550
Richmond Hill ON, L4B 1J8

Attention: Chair of the Special Committee, Tom Fernandes

- (c) If to Lysander:

Lysander Funds Limited
3080 Yonge Street, Suite 3037
Toronto, ON M4N 3N1

Attention: Ruth Liu, Corporate Secretary and Chief Compliance Officer

ARTICLE 12 GENERAL PROVISIONS

- 12.1 Time shall be of the essence of this Agreement and of every part of it and no extension or variation of this Agreement shall operate as a waiver of this provision.

- 12.2 The headings in this Agreement are for reference only and will not affect the interpretation of this Agreement.
- 12.3 This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- 12.4 Unless the context requires otherwise, words in this Agreement that import the singular shall include the plural, vice versa, and words that import a gender include all other genders.
- 12.5 This Agreement and the provisions of it shall constitute the entire agreement between the parties. No subsequent variation or amendment of this Agreement shall have any effect unless made in writing and signed by the parties.
- 12.6 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.
- 12.7 This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.
- 12.8 This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party will operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement will operate or be construed as a waiver thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- 12.9 The parties hereto acknowledge that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties will be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.
- 12.10 Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian Dollars.
- 12.11 This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.
- 12.12 The parties acknowledge that they have required that this Agreement and all related documents be drawn up in English. Les parties reconnaissent avoir exigé que la présente convention and tous les documents connexes soient rédigés en anglais.

[SIGNATURE PAGE FOLLOWS]

TO WITNESS THIS AGREEMENT the parties have duly executed this Agreement with effect as of the date first above written.

CANSO SELECT OPPORTUNITIES CORPORATION

Per: *(signed) "Joe Morin"*

Joe Morin
Chief Investment Officer

(signed) "Shirley Sumsion"

Per: _____
Shirley Sumsion
Chief Financial Officer

CANSO FUND MANAGEMENT LTD.

Per: *(signed) "Elizabeth Sit"*

Elizabeth Sit
Vice President

LYSANDER FUNDS LIMITED

Per: *(signed) "Ruth Liu"*

Ruth Liu
Corporate Secretary and Chief
Compliance Officer

Appendix “B” – Formal Valuation and Fairness Opinion

CONSENT OF BLAIR FRANKLIN CAPITAL PARTNERS INC.

To: The Directors of Canso Select Opportunities Corporation

We refer to the formal valuation and fairness opinion dated October 17, 2022 (the “**Opinions**”), which we prepared for the special committee of independent directors of the board of directors of Canso Select Opportunities Corporation (the “**Corporation**”) for the purchase by the Corporation of an aggregate of 70,000 Class A common shares of Lysander Funds Limited from Canso Fund Management Ltd., a related party of the Corporation, pursuant to a share purchase agreement. We consent to the filing of the Opinions with the securities regulatory authority and the inclusion of the Opinions in the management information circular of the Corporation dated November 29, 2022.

(signed) “Blair Franklin Capital Partners Inc.”

Toronto, Ontario, Canada
November 29, 2022



October 17, 2022

The Special Committee of the Board of Directors
CANISO SELECT OPPORTUNITIES CORPORATION
100 York Blvd., Suite 550
Richmond Hill, ON
L4B 1J8

To the Special Committee of the Board of Directors:

Blair Franklin Capital Partners Inc. (“Blair Franklin”) understands that Canso Select Opportunities Corporation (“CSOC” or the “Company”) intends to enter into a definitive agreement under which the Company will acquire a passive minority stake in Lysander Funds Limited (“Lysander”) consisting of 70,000 Class A Common shares of Lysander (the “Minority Stake”) from Canso Funds Management Ltd., an entity (the “Related Party”) that is directly or indirectly owned or controlled by Mr. John Carswell (the “Transaction”). The consideration offered for the acquired stake in Lysander pursuant to the Transaction will be 2,440,239 Class B Subordinate Voting shares of CSOC.

Blair Franklin understands that the Transaction would constitute a “related party transaction” within the meaning of *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions* (the “Rules”) as Mr. John Carswell, directly and indirectly holds 754,579 Class A Multiple Voting shares and 29,462 Class B Subordinate Voting shares of CSOC (representing 28% of the total shares outstanding and 46% of the total votes). Furthermore, the day-to-day operations of CSOC are managed by Canso Investment Counsel Ltd. (“Canso”), an affiliate of the Related Party. Blair Franklin also understands that the Transaction is exempt from the formal valuation requirements of the Rules pursuant to subsections 5.5(b), as the Company is not listed on a specified market.

The Special Committee of the Board of Directors of CSOC (the “Committee”) has retained Blair Franklin, on a fixed fee basis, to prepare and deliver to the Committee a written opinion as to the fairness, from a financial point of view, of the Transaction to the Company (the “Opinion”). Although the Transaction is exempt from the formal valuation requirements of the Rules, the Special Committee has also retained Blair Franklin to prepare a formal valuation of the Minority Stake (the “Valuation” and collectively with the Opinion, the “Opinions”).

Engagement of Blair Franklin

Blair Franklin was formally engaged by the Special Committee pursuant to an engagement agreement dated August 3, 2022 (the “Engagement Agreement”). The Engagement Agreement provides for the payment to Blair Franklin of a fixed fee in respect of the preparation and delivery of the Opinions. Blair Franklin’s fees are not contingent on the completion of the Transaction, or any other transaction of the Company or on the conclusions reached herein. In addition, Blair Franklin is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in certain circumstances.

Relationship with Related Parties

Neither Blair Franklin nor any of its affiliated entities (as such term is defined for the purposes of the Rules): (i) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of the Rules) of CSOC or the Related Party or any of their respective associates or affiliates (collectively, the “Interested Parties”); (ii) is an advisor to any of the Interested Parties in connection to the Transaction (other than its engagement for the Committee); (iii) is a manager, co-manager or member of a soliciting dealer group formed in respect of the Transaction; (iv) is the external auditor of any Interested Party; or (v) has a material financial interest in the completion of the Transaction. During the 24 months before Blair Franklin was first contacted for the purpose of preparing and delivering the Opinions, neither Blair Franklin nor any of its affiliated entities (i) had a material involvement in an evaluation, appraisal or review of the financial condition of any Interested Party, or an associated or affiliated entity of any Interested Party, (ii) acted as a lead or co-lead underwriter of a distribution of securities by any Interested Party, or (iii) had a material financial interest in a transaction involving any Interested Party. There are no understandings, agreements or commitments between Blair Franklin and any Interested Party with respect to any future business dealings. Blair Franklin may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Interested Parties.

Blair Franklin is of the view that it is independent of all Interested Parties in the Transaction (as such terms are defined for the purposes of the Rules).

Credentials of Blair Franklin

Blair Franklin is an independent investment bank providing a full range of financial advisory services related to mergers and acquisitions, divestitures, minority investments, fairness opinions, valuations and financial restructurings. Blair Franklin has been a financial advisor in a significant number of transactions throughout Canada and North America involving public and private companies in various industry sectors and has extensive experience in preparing formal valuations and fairness opinions in transactions similar to the Transaction.

The Opinions expressed herein are the opinions of Blair Franklin as a firm and the form and content herein has been approved for release by a committee of our principals, each of

whom is experienced in mergers and acquisitions, divestitures, restructurings, minority investments, capital markets, fairness opinions and valuation matters.

Scope of Review

In connection with the Opinions, Blair Franklin reviewed, considered, and relied upon (without attempting to verify independently the completeness or accuracy thereof) or carried out, among other things, the following:

1. Discussions with management of CSOC and Lysander;
2. Discussions with the Committee;
3. Management presentation providing recent business updates as prepared by Lysander;
4. Historical audited financial statements of CSOC for the past three years (ended December 31, 2019 to December 31, 2021);
5. Interim Financial Statements of CSOC for the past three years (quarters ended March 31, 2019 to September 30, 2021) and for the quarters ended March 31, 2022 and June 30, 2022;
6. Historical audited financial statements of Lysander for the past three years (ended December 31, 2019 to December 31, 2021);
7. Interim Financial Statements of Lysander for the quarters ended March 31, 2022 and June 30, 2022;
8. Historical AUM, sales and performance information pertaining to Lysander (from June 30, 2016 to June 30, 2022);
9. Comparable trading and comparable transaction multiples for selected companies and transactions considered relevant;
10. Equity research and general industry reports;
11. Public filings of CSOC, including but not limited to its Management Information Circular (as of April 11, 2022), 2021 Annual Report, MD&As (for the year ended December 31, 2021 and for the quarters ended March 31, 2022 and June 30, 2022), press releases from the past 12 months, and other material documents;
12. Shareholder and insider information pertaining to CSOC available on SEDI, the Canadian System for Electronic Disclosure by Insiders;
13. Preliminary Term Sheet (draft reviewed as of August 9, 2022);
14. Draft transaction documents including the Share Purchase Agreement between Canso Fund Management Ltd. and CSOC (draft reviewed as of October 17,

2022), and the Shareholder's Agreement between GRIP Investments Limited, CSOC and Lysander (draft reviewed as of August 24, 2022);

15. Such other information, documentation, analyses and discussions that we have considered relevant in the circumstances.

Blair Franklin has not independently verified any of the assumptions contained in the financial information publicly disclosed by CSOC or provided by its representatives.

Blair Franklin has not, to the best of its knowledge, been denied access by the Company or any of its respective associates or affiliates to any information requested by Blair Franklin.

Prior Valuations

The Company has represented to Blair Franklin that there have not been any prior valuations (as defined in the Rules) of the Company in the preceding 24-month period.

Assumptions, Explanations and Limitations

The Opinions are subject to the assumptions, explanations and limitations herein before described and as set forth below.

With the Committee's approval and as provided for in the Engagement Letter, Blair Franklin has relied upon, without independent verification, all financial and other information that was obtained by Blair Franklin from public sources or that was provided to Blair Franklin by the Company or any of its respective associates, affiliates, advisors or otherwise. Blair Franklin has assumed that this information is complete and accurate and does not omit any material fact or any fact necessary to be stated to make this information not misleading. The Opinions are conditional upon such completeness and accuracy. In accordance with the terms of Blair Franklin's engagement, but subject to the exercise of its professional judgment, Blair Franklin has not conducted any independent investigation to verify the completeness or accuracy of this information. With respect to the financial forecasts, projections, estimates or other forward-looking information provided to Blair Franklin and used in its analysis, Blair Franklin has assumed, subject to the exercise of its professional judgment, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of management of the Company as to the matters covered thereby.

Senior officer(s) of CSOC have separately represented to Blair Franklin, in certificates provided to Blair Franklin, (the "Officer's Certificates"), amongst other things: (i) that (except for forecasts, projections or estimates) the information, opinions and other materials (the "Information") provided to Blair Franklin by or on behalf of the Company relating to the Company or the Transaction was complete and correct in all material respects as at the date the Information was prepared or provided to Blair Franklin; and (ii) that, other than as disclosed in the Information, there has been no material change in the financial condition, assets, liabilities, business, operations or prospects of the Company. Senior officers of CSOC also represented to Blair Franklin, in their respective Officer's

Certificates, that the Information which constitutes forecasts, projections or estimates was prepared using assumptions that were, in their respective opinions, reasonable in the circumstances.

The Opinions are based upon the securities markets, economic, general business and financial conditions prevailing today and the conditions and prospects, financial and otherwise, of the Company, as they were reflected in the Information reviewed by Blair Franklin. In its analysis and in preparing the Opinions, Blair Franklin has made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of Blair Franklin, the Company, or any of their respective associates or affiliates.

The Opinions have been provided for the use of the Committee, for review by the Board of Directors of the Company and for inclusion in the circular or other disclosure documents to be sent to CSOC shareholders in connection with the special meeting of shareholders called to consider the Transaction (together with summaries thereof in a form acceptable to Blair Franklin and the Committee) and may not be used by any other person or relied upon by any other person without the express written consent of Blair Franklin.

The Opinions are given as of the date hereof and Blair Franklin disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinions which may come or be brought to Blair Franklin's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change after the date hereof in any fact or matter upon which the Opinions are based which would make such opinions misleading in any material respect, Blair Franklin reserves the right to change, modify or withdraw the Opinions in the event that Blair Franklin reasonably concludes that it is necessary as a result thereof.

Blair Franklin believes that its analyses must be considered as a whole and that selecting portions of its analyses and specific factors, without considering all factors and analyses together, could create a misleading view of the considerations underlying the Opinions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analyses or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Opinions should not be considered as a recommendation to any shareholder of the Company as to whether or not to vote in favour of the Transaction.

All dollar amounts herein are expressed in Canadian dollars, unless stated otherwise. All references to years are calendar years, unless otherwise stated.

Overview of the Company

CSOC is an Ontario-based investment corporation that aims to provide capital gains and dividend income to its shareholders. It evaluates potential investments in public and private debt, public and private equity, and other securities.

The Company has a dual class share structure consisting of Class A Multiple Voting shares (with 30 votes each) and Class B Subordinate Voting shares (with 1 vote each). The Company's shares are currently listed on the TSXV, but have low liquidity, and are thinly traded.

		TSXV Price		Volume
		Low	High	
2021	January	\$2.27	\$2.60	115,072
	February	\$2.36	\$2.91	40,540
	March	\$2.56	\$2.90	91,360
	April	\$2.00	\$2.40	38,800
	May	\$2.05	\$2.10	154,200
	June	\$2.10	\$2.21	206,400
	July	\$2.14	\$2.17	37,600
	August	\$2.15	\$2.30	38,000
	September	\$2.30	\$2.40	30,682
	October	\$2.30	\$2.60	225,312
	November	\$2.25	\$2.32	98,568
	December	\$2.25	\$2.26	70,054
2022	January	\$2.15	\$2.50	27,928
	February	\$2.20	\$2.45	53,218
	March	\$2.00	\$2.45	147,324
	April	\$2.00	\$2.15	6,466
	May	\$2.10	\$2.15	43,030
	June	\$1.85	\$2.10	34,972
	July	\$1.85	\$1.87	1,600
	August	\$1.75	\$1.90	1,060
	September	\$1.75	\$1.90	3,000
	October	\$1.75	\$1.89	4,276

Overview of the Minority Stake in Lysander

The Minority Stake is an 8.7% equity interest in Lysander, a private, Ontario-based company that engages in fund management services primarily for investment and pooled funds. It works with registered investment advisors (“RIAs”) and dealers to provide solutions for portfolios that satisfy the needs of investors. As of June 30, 2022, Lysander has ~\$10.7 billion in assets under management (“AUM”).

Lysander selects third-party portfolio managers that offer institutional style management and high conviction portfolios across different asset classes, which include: fixed income, balanced and global equity, Canadian income equity, and preferred shares. Its third-party managers are currently comprised of: Canso Investment Counsel, Crusader Asset Management, Fulcra Asset Management, Patient Capital Management, Seamark, Slater Asset Management, and Triasima.

Lysander's arrangements with its third-party managers are not typical in the industry. The agreements the managers have with Lysander are more of a partnership. They enter into a non-exclusive, long-term agreement with Lysander, which can only be terminated in limited circumstances. In return for manufacturing and distributing mutual funds on their behalf, Lysander splits the management fee with the third-party manager. This arrangement

is designed to motivate both Lysander and the third-party manager to grow assets and the business over the long term.

Lysander has a dual class share structure consisting of Class A common shares (carry one vote per share) and Class B common shares (carry 1 vote for every 10 shares). The Minority Stake consists of 70,000 Class A common shares of Lysander, which represent approximately 13% of the Lysander Class A common shares outstanding and 12% of the total votes of Lysander. Currently, the shares of Lysander pay a quarterly dividend of \$1.50 per share.

Key Business Attributes of Lysander

- *Fund Performance* – Lysander has, through its affiliate, Canso Investment Counsel, access to several highly regarded Canso managed funds. Two fixed income funds in particular have been responsible for most of the growth in Lysander assets. Currently about 4% of Lysander’s assets are from third party managers
- *Distribution Network* – sales are well diversified across the major IIROC platforms with good “shelf” access and certain funds on recommended lists
- *Financial Performance* – Lysander has very strong financial performance. Over the past four years, it has had a CAGR in assets of 39% and EBITDA of 40%. Lysander also has a strong a balance sheet and the commitment of its controlling shareholder

Key Considerations of the Transaction

The Transaction offers a way to reposition CSOC strategically. Following the Transaction, roughly half of the NAV of CSOC will be an indirect interest in Lysander. This could be attractive for investors, as CSOC will become the only public way for investors to participate in the growth of the Lysander mutual fund business and indirectly the success of Canso.

However, the unique nature of the Lysander business model, and the level of AUM, portfolio manager, and asset class concentration, creates challenges in valuing the business. Furthermore, investors in CSOC will have to rely entirely on the quarterly update provided by the Company to get information on the valuation of the Minority Stake in Lysander.

CSOC will not be able to sell its Minority Stake in Lysander to third parties, unless it is pursuant to a sale for all of Lysander. Currently, the Related Party controls both CSOC and Lysander. Should that change, CSOC would have no board representation at Lysander and only limited rights to information concerning the business of Lysander. Lysander currently pays a quarterly dividend of \$1.50 per share and there can be no assurance as to the payment or amount of dividends in the future.

Definition of Fair Market Value

For the purposes of the Valuation and in accordance with the Rules, fair market value means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, where each is acting at arm's length with the other and under no compulsion to act.

Approach to Value

The Valuation is based upon the methodologies and assumptions Blair Franklin considered appropriate in the circumstances for the purposes of arriving at an opinion as to the range of fair market values of Lysander. The fair market value of Lysander was analyzed on a going concern basis.

Valuation Methodologies

For the purposes of arriving at the value of the passive minority stake in Lysander, Blair Franklin principally considered the following methodologies which are further discussed herein:

- Comparable Companies Analysis (“Comparable Companies Approach”) whereby we reviewed the valuation metrics obtained from publicly-traded comparable companies
- Dividend Yield Analysis (“Dividend Yield Approach”) whereby we analyzed the dividend yields of select publicly-traded comparable companies
- Discounted Cashflow Analysis (“DCF Approach”) whereby we discounted to present value the projected cash flows of Lysander
- Precedent Transactions Analysis (“Precedent Transactions Approach”) whereby we analyzed valuation metrics obtained from the prices paid for previous similar transactions

Blair Franklin primarily relied on the Comparable Companies Approach in arriving at the value of Lysander. The Comparable Companies Approach analyzes valuation metrics indicated by the current trading price of publicly-traded comparable companies. This relative valuation analysis provides “trading” value. We adjusted the valuation metrics of public companies to reflect the lack of liquidity of the Minority Stake.

The Dividend Yield Approach provides current dividend yields of select publicly-traded comparable companies. The average yields were then used to compute an implied share price for Lysander.

The DCF Approach takes into consideration, among other things, macro-economic, market-specific and other factors unique to Lysander’s business in arriving at the value of the Minority Stake in Lysander. Blair Franklin selected a discount rate that is reflective of

the acquisition of a minority stake in a private company with a small capitalization, such as Lysander.

The Precedent Transactions Approach provides valuation metrics from the prices paid in previous similar transactions. Blair Franklin reviewed a number of transactions involving Canadian asset managers. The prices paid in these precedent transactions reflect en-bloc values as they generally represent transactions involving an acquisition of control of the outstanding equity of the respective target entities.

Blair Franklin has ascribed the greatest weight to the Comparable Companies Approach in performing the Valuation, and to a lesser extent, the Dividend Yield Approach, and the DCF Approach. We reviewed, but placed little weight on the Precedent Transactions Approach. Blair Franklin also considered Lysander's internal valuation formula as a data point, but did not rely on it as part of its analysis, as the formula is backward- as opposed to forward-looking, and its main purpose is to provide employees a transparent way to participate in the firm's growth.

Comparable Companies Approach

Blair Franklin analyzed financial metrics for a number of Canadian publicly-traded asset managers (institutional asset managers, mutual fund companies, etc.). The Comparable Companies Approach focuses on two financial metrics: EV / LTM EBITDA and EV / AUM. EV / LTM EBITDA is more widely used in the industry, but EV / AUM is also often taken into account as an additional data point.

The following tables demonstrate the process used to arrive at the implied value for Lysander under the Comparable Companies Approach.

<u>Company</u>	<u>Share Price</u>	<u>Mkt. Cap</u>	<u>Ent. Value</u>	<u>AUM</u>	<u>EV / EBITDA</u>	<u>EV / AUM</u>
	<i>C\$</i>	<i>C\$ mm</i>	<i>C\$ mm</i>	<i>C\$ mm</i>	<i>LTM</i>	
Fiera Capital	\$8.42	\$885	\$1,567	\$156,700	7.8x	1.00%
CI Financial	\$12.35	\$2,371	\$6,037	\$333,712	5.7x	1.81%
IGM Financial	\$35.21	\$8,368	\$7,354	\$242,083	5.5x	3.04%
AGF	\$5.93	\$420	\$448	\$38,225	3.3x	1.17%
Guardian Capital	\$25.50	\$719	\$105	\$74,557	1.2x	0.14%
Median					5.5x	1.17%
Average					4.7x	1.43%

EV / LTM EBITDA	Low -	High	EV / AUM	Low -	High
LTM EBITDA	\$23.7 -	\$23.7	AUM (as of June 30, 2022)	\$10,746.7 -	\$10,746.7
Selected Multiple Range	3.5x -	5.0x	Selected Multiple Range	0.90% -	1.10%
Implied Enterprise Value	\$83.0 -	\$118.6	Implied Enterprise Value	\$96.7 -	\$118.2
Less: Debt	(\$4.6) -	(\$4.6)	Less: Debt	(\$4.6) -	(\$4.6)
Plus: Cash	\$7.4 -	\$7.4	Plus: Cash	\$7.4 -	\$7.4
Plus: Investments	\$33.3 -	\$33.3	Plus: Investments	\$33.3 -	\$33.3
Implied Equity Value	\$119.2 -	\$154.8	Implied Equity Value	\$132.9 -	\$154.4
Total Shares Outstanding	0.8 -	0.8	Total Shares Outstanding	0.8 -	0.8
Implied Share Price	\$149 -	\$193	Implied Share Price	\$166 -	\$192

Dividend Yield Approach

Blair Franklin analyzed the dividend yields of a number of publicly traded Canadian asset managers considered comparable to Lysander (see Table 2). The list included Fiera, CI Financial, IGM Financial, AGF and Guardian Capital.

Company	Dividend Yield
Fiera Capital	10.21%
CI Financial	5.83%
IGM Financial	6.39%
AGF	6.75%
Guardian Capital	3.76%
Median	6.39%
Average	6.59%

Blair Franklin applied a dividend yield range of 5.00% to 7.00% to Lysander's annualized dividend per share of \$6.00 to compute an implied share price.

	Low -	High
Lysander's Annualized Dividend / Share	\$6.00 -	\$6.00
Selected Dividend Yield Range	7.00% -	5.00%
Implied Share Price	\$86 -	\$120

DCF Approach

Blair Franklin's DCF Approach involved discounting to present value: (i) the 5-yr forecast unlevered free cash flows ("UFCFs") generated by Lysander, and (ii) the terminal value for Lysander as of December 31, 2026.

The DCF Approach requires that certain assumptions be made regarding, among other things, future UFCFs, discount rates and terminal values. Since Lysander does not prepare long-term forecasts for its business, Blair Franklin arrived at its own view on the future expected cash flows for Lysander and developed an independent forecast. The key

assumptions made in Blair Franklin’s forecast with respect to AUM growth, revenue growth, operating expenses, and EBITDA margins were based on discussions with Lysander’s management team. Blair Franklin also reviewed the sensitivity of changes in various key assumptions to the implied DCF values.

Discount Rates

The UFCFs of Lysander were discounted using a weighted average cost of capital (“WACC”). The WACC was determined using the capital asset pricing model, which calculates the cost of equity capital with reference to the risk-free rate of return, the volatility of equity prices relative to a benchmark (“Beta”) and equity market risk premiums. In addition, a small capitalization premium was added to reflect the premium required to attract capital to companies with a small capitalization, such as Lysander. The assumptions used by Blair Franklin in calculating the discount rate for the Minority Stake in Lysander are provided in the following table.

	Low	-	High
Risk Free Rate	3.5%	-	3.5%
Beta ⁽¹⁾	0.61	-	1.03
Market Risk Premium ⁽²⁾	6.0%	-	6.0%
Size Premium ⁽³⁾	5.6%	-	5.6%
Cost of Equity	12.7%	-	15.3%
Cost of Debt	0.0%	-	0.0%
Tax Rate ⁽⁴⁾	27.0%	-	27.0%
Equity / Total Capital	100.0%	-	100.0%
WACC	12.7%	-	15.3%
Blair Franklin Selected WACC	12.5%	-	15.0%

(1) Peer betas re-levered for target capital structure
(2) Aswath Damodaran (NYU Stern School of Business)
(3) Ibbotson Valuation Yearbook
(4) Canadian Corporate Tax Rate

Summary of Base Case DCF

The following tables provide a summary of the DCF Approach, including sensitivities regarding the discount rate and the terminal multiple. Blair Franklin’s DCF was discounted to June 30, 2022. Blair Franklin arrived at the terminal value for its DCF using an exit multiple methodology. Selected a terminal EBITDA multiple range of 3.0x to 5.0x based on comparable companies, and Blair Franklin’s professional judgement.

	<u>Low</u> -	<u>High</u>
WACC	15.0%	12.5%
Terminal Multiple	3.0x	5.0x
Sum of Discounted UFCFs	\$48.5	\$51.1
PV of Terminal Value	\$33.3	\$61.3
Enterprise Value	\$81.9	\$112.4
Less: Debt	(\$4.6)	(\$4.6)
Plus: Cash	\$7.4	\$7.4
Plus: Investments	\$33.3	\$33.3
Equity Value	\$118.0	\$148.5
Total Shares Outstanding	0.8	0.8
Implied Share Price	\$147	\$185

		Discount Rate				
		16.0%	15.0%	14.0%	12.5%	11.0%
Terminal Multiple	2.0x	\$131	\$133	\$136	\$139	\$143
	3.0x	\$144	\$147	\$150	\$155	\$159
	4.0x	\$158	\$161	\$164	\$170	\$176
	5.0x	\$171	\$175	\$179	\$185	\$192
	6.0x	\$184	\$189	\$193	\$200	\$208

After taking into account the sensitivities as outlined on Table 8 and discounting the UFCFs of Lysander to June 30, 2022, adjusting for the value of Lysander's debt, cash and investments as of June 30, 2022, the DCF Approach implied a range of values for the shares of the Minority Stake in Lysander of \$147 to \$185.

Precedent Transactions Approach

Blair Franklin reviewed precedent transactions involving Canadian asset managers over the past ten years. Despite there being a number of transactions within the time period, many of the transactions reviewed did not have publicly available financial metrics. Like in the Comparable Companies Approach, Blair Franklin focused on two financial metrics: EV / LTM EBITDA and EV / AUM. The tables below provide a selected subset of the most comparable transactions reviewed and the process used to arrive at the implied value for Lysander under the Precedent Transactions Approach. It should be noted, however, that Blair Franklin has used precedent transactions as a secondary methodology, given the lack of truly comparable precedent transactions to Lysander.

<u>Annt. Date</u>	<u>Target</u>	<u>Acquiror</u>	<u>EV / AUM</u>	<u>EV / EBITDA</u> <i>LTM</i>
1-Feb-12	Natcan	Fiera Sceptre		
2-Jun-14	Blair Franklin Asset Management	Gluskin Sheff		
15-Jun-15	Bentall Kennedy Group	SunLife Financial		
29-Feb-16	Apex Capital Management	Fiera Capital		
10-Aug-17	Sentry Investments	CI Financial		
2-Oct-17	Central Fund of Canada	Sprott Asset Management		
12-Feb-18	Jarislowsky Fraser	Scotia		
23-Mar-18	CGOV	Fiera Capital		
31-May-18	MD Financial	Scotia		
22-Mar-19	Gluskin Sheff	Onex		
23-Mar-19	Integrated Asset Management	Fiera Capital		
9-May-19	Fiera Capital (11% stake)	Natixis		
26-Feb-20	Richardson GMP (66% stake)	GMP		
23-Jul-21	GAVIN Hockey Wealth Specialists	Focus Financial Partners		
30-Jun-22	Newport Private Wealth	NFP		
Median			2.26%	10.5x
Average			3.51%	10.8x

<u>EV / LTM EBITDA</u>	<u>Low</u> - <u>High</u>	<u>EV / AUM</u>	<u>Low</u> - <u>High</u>
LTM EBITDA	\$23.7 - \$23.7	AUM (as of June 30, 2022)	\$10,746.7 - \$10,746.7
Selected Multiple Range	6.5x - 7.5x	Selected Multiple Range	1.00% - 1.30%
Implied Enterprise Value	\$154.2 - \$177.9	Implied Enterprise Value	\$107.5 - \$139.7
Less: Debt	(\$4.6) - (\$4.6)	Less: Debt	(\$4.6) - (\$4.6)
Plus: Cash	\$7.4 - \$7.4	Plus: Cash	\$7.4 - \$7.4
Plus: Investments	\$33.3 - \$33.3	Plus: Investments	\$33.3 - \$33.3
Implied Equity Value	\$190.4 - \$214.1	Implied Equity Value	\$143.6 - \$175.9
Total Shares Outstanding	0.8 - 0.8	Total Shares Outstanding	0.8 - 0.8
Implied Share Price	\$237 - \$267	Implied Share Price	\$179 - \$219

Value Summary – Minority Stake in Lysander

Based upon the Comparable Companies Approach, and to a lesser extent, the Dividend Yield Approach, the DCF Approach and the Precedent Transactions Approach, Blair Franklin believes an appropriate fair market value range for the shares of the Minority Stake in Lysander is between \$160 to \$190 per share.

<i>(C\$)</i>	<u>Low</u> - <u>High</u>
Comparable Companies Approach	
EV / LTM EBITDA	\$149 - \$193
EV / AUM	\$166 - \$192
Dividend Yield Approach	\$86 - \$120
DCF Approach	\$147 - \$185
Precedent Transactions Approach	
EV / LTM EBITDA	\$237 - \$267
EV / AUM	\$179 - \$219

Distinctive Material Benefits of the Arrangement to the Interested Parties

In arriving at its opinion of the value of the Lysander, Blair Franklin reviewed and considered whether any distinctive material value would accrue to the Interested Parties through the Transaction. Blair Franklin concluded that there were no material specific, operational or financial benefits that would accrue to the Interested Parties.

Valuation Conclusion – Minority Stake in Lysander

Based upon and subject to the analyses and assumptions set out herein, Blair Franklin is of the opinion that, as at the date hereof, an appropriate fair market value range for the shares of the Minority Stake in Lysander is between \$160 and \$190 per share.

Fairness Opinion & Conclusion

Based upon and subject to the foregoing and such other matters as we considered relevant, Blair Franklin is of the opinion that, as of the date hereof, the terms of the Transaction are fair, from a financial point of view, to the Company.

Yours very truly,

Blair Franklin Capital Partners Inc.

BLAIR FRANKLIN CAPITAL PARTNERS INC.

