

This short form base shelf prospectus has been filed under legislation in each of the Qualifying Provinces that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. See "Plan of Distribution".

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Pender Growth Fund Inc. at Suite 1830 – 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1 telephone: (604) 688-1511, and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS

New Issue

November 29, 2021

PENDER

G R O W T H F U N D

PENDER GROWTH FUND INC.

\$75,000,000

COMMON SHARES
DEBT SECURITIES
CONVERTIBLE SECURITIES
SUBSCRIPTION RECEIPTS
WARRANTS
UNITS

This short form base shelf prospectus (the "**Prospectus**") relates to the offering for sale by Pender Growth Fund Inc. (the "**Company**"), from time to time, during the 25 month period that this Prospectus, including any amendments hereto, remains valid, of up to \$75,000,000 (or the equivalent thereof in other currencies based on the applicable exchange rate at the time of the offering) in the aggregate of: (i) Class C participating common shares ("**Common Shares**") in the capital of the Company, (ii) debt securities ("**Debt Securities**") of the Company, issuable in series, (iii) securities convertible ("**Convertible Securities**") into or exchangeable for Securities (as defined below), (iv) subscription receipts ("**Subscription Receipts**") of the Company, each of which, once purchased, entitle the holder to receive upon satisfaction of certain release conditions, and for no additional consideration, one or more Securities or a combination of Securities, (v) warrants ("**Warrants**") of the Company to purchase other Securities, and (vi) units of the Company (the "**Units**"), comprised of one or more of any of the other Securities, or any combination of such Securities (the Common Shares, Debt Securities, Convertible Securities, Subscription Receipts, Warrants and Units are collectively referred to herein as the "**Securities**"). The Securities may be offered for sale separately or in combination with one or more other Securities, in amounts, at prices and on such terms as the Company may determine from time to time depending upon its financing requirements, prevailing market conditions at the time of sale and other factors.

The specific terms of any offering of Securities will be set forth in an applicable Prospectus Supplement (a "**Prospectus Supplement**") and may include, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the offering price, whether the Common Shares are being offered for cash, and any other terms specific to the Common Shares; (ii) in the case of Debt Securities, the specific designation, aggregate principal amount, the maturity, interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption or retraction, any exchange or conversion terms and any other terms specific to the Debt Securities being offered; (iii) in the case of Convertible Securities, the number of Convertible Securities offered, the offering price, the procedures for the conversion or exchange of such Convertible Securities into or for Common

Shares and/or other Securities and any other specific terms; (iv) in the case of Subscription Receipts, the number of Subscription Receipts offered, the offering price, the procedures for the conversion or exchange of such Convertible Securities into or for Common Shares and/or other Securities and any other specific terms; (v) in the case of Warrants, the designation, number and terms of the Securities issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise and any other specific terms; and (vi) in the case of Units, the designation, number and terms of the Securities forming part of the Units, any procedures that will result in the adjustment of these numbers, the exercise price, the dates and periods of exercise, the currency in which the Units are issued and any other terms specific to the Units being offered. A Prospectus Supplement relating to a particular offering of Securities may include terms pertaining to the Securities being offered thereunder that are not within the terms and parameters described in this Prospectus. Where required by statute, regulation or policy, and where the Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the Prospectus Supplement describing the Securities.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to prospective purchasers together with this Prospectus, except in cases where an exemption from such delivery is available. Each Prospectus Supplement will be deemed to be incorporated by reference into this Prospectus as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

This Prospectus constitutes a public offering of Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities. The Company may sell Securities to or through underwriters or dealers designated by the Company from time to time and may also sell Securities directly to purchasers pursuant to applicable statutory exemptions or through agents. Underwriters, dealers or agents with respect to the Securities sold to or through underwriters, dealers or agents will be named in the Prospectus Supplement relating to that particular offering of Securities. The Prospectus Supplement relating to a particular offering of Securities will also set forth the terms of the offering of Securities including, to the extent applicable, any fees, discount or other remuneration payable to the underwriters, dealers or agents in connection with the offering, the method of distribution of the Securities, the initial issue price (in the event the offering is a fixed price distribution), the manner of determining the issue price(s) (in the event the offering is a non-fixed price distribution), the proceeds that the Company will receive and any other material terms of the plan of distribution. Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, which prices may vary as between purchasers and during the period of distribution of the Securities.

No underwriter, dealer or agent has been involved in the preparation of this short form Prospectus or performed any review of the contents of this short form Prospectus. See "*Plan of Distribution*".

In connection with any offering of Securities, except as otherwise set out in a Prospectus Supplement relating to a particular offering of Securities, the underwriters, dealers or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions may be commenced, interrupted or discontinued at any time. However, no underwriter of an "at-the-market distribution", as defined in National Instrument 44-102 – *Shelf Distributions* ("NI 44-102"), and no person or company acting jointly or in concert with such an underwriter, may, in connection with such a distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Securities or Securities of the same class as the Securities distributed under this Prospectus and Prospectus Supplement, including selling an aggregate number or principal amount of Securities that would result in an underwriter creating an over-allocation position in the Securities. A purchaser who acquires Securities forming part of the underwriters', dealers' or agents' over-allotment position acquires those Securities under this Prospectus and the Prospectus Supplement relating to the particular offering of Securities, regardless of whether the over-allotment position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See "*Plan of Distribution*".

The Company's issued and outstanding Common Shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "PTF". The closing price of the Common Shares on the TSX-V on November 26, 2021, the last trading day prior to the filing of this Prospectus, was \$18.00.

Any offering of Securities other than Common Shares will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, the Securities to be offered thereunder will not be listed on any securities exchange. **Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Securities other than Common Shares may be sold and purchasers may not be able to resell such Securities purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of such Securities in the secondary market (if any), the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation relating to such Securities. See "Risk Factors".**

Prospective investors should be aware that the purchase of Securities may have tax consequences that may not be fully described in this Prospectus or in any Prospectus Supplement, and should carefully review the tax discussion, if any, in the applicable Prospectus Supplement and in any event consult with a tax adviser.

Investors should rely only on the information contained or incorporated by reference in the Prospectus and any applicable Prospectus Supplement. The Company has not authorized anyone to provide investors with different or additional information. If anyone provides investors with different or additional information, investors should not rely on it. The Company is not making an offer to sell or seeking an offer to buy Securities in any jurisdiction where the offer or sale is not permitted. Investors should assume that the information contained in the Prospectus and any applicable Prospectus Supplement is accurate only as at the date on the front of those documents and that information contained in any document incorporated by reference is accurate only as at the date of that document, regardless of the time of delivery of the Prospectus and any applicable Prospectus Supplement or of any sale of the Company's securities. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

Market data and certain industry forecasts used in the Prospectus and any applicable Prospectus Supplement and the documents incorporated by reference in the Prospectus and any applicable Prospectus Supplement were obtained from market research, publicly available information, and/or industry publications. The Company believes that these sources are generally reliable, but the Company has not independently verified this information, and the Company does not make any representation as to the accuracy and completeness of this information.

An investment in the Securities is highly speculative due to the nature of the Company's business. An investment in Securities should only be made by those persons who can afford the loss of their entire investment. The risk factors described in this Prospectus and any Prospectus Supplement, as well as the documents incorporated by reference herein and therein, should be carefully reviewed and considered by prospective investors in connection with an investment in Securities. See "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors" in this Prospectus, "Cautionary Note Regarding Forward-Looking Information" and "Risk Factors" in the AIF (as defined herein) and "Risk Factors" in the MD&A (as defined herein).

The head office of the Company is located at Suite 1830-1066 West Hastings Street, Vancouver, British Columbia, V6E 3X2. The registered office of the Company is located at 2500-666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated herein by reference contain "forward-looking statements" and "forward-looking information" (collectively, "**forward-looking information**") within the meaning of applicable Canadian securities legislation. All information contained in this Prospectus and the documents incorporated herein by reference, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "budget", "guidance", "scheduled", "estimates", "forecasts", "strategy", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might" "occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). Forward-looking information is also identifiable in statements of currently occurring matters which may continue in the future, such as "providing the Company with", "is currently", "allows/allowing for", "will advance" or "continues to" or other statements that may be stated in the present tense with future implications. All of the forward-looking information in this Prospectus and the documents incorporated herein by reference is qualified by this cautionary note.

Forward-looking information in this Prospectus and the documents incorporated herein by reference includes, but is not limited to, statements with respect to: the future activities and performance of the Portfolio Companies (as described herein); the Company's investment approach, objectives and strategy, including its focus on specific sectors and development stage businesses; the various factors considered by the manager of the Company, PenderFund Capital Management Ltd. (the "**Manager**") and criteria evaluated in making investment decisions; the structuring of the Company's investments and its plans to manage its investments, including the potential for an affiliate or principal of the Manager to be appointed to the board of a Portfolio Company; the Company's financial performance; the Company's expectations regarding the performance of certain sectors; the Company's objective of achieving long-term capital appreciation for investors; the Company's intention to invest primarily in equity securities while supplementing its portfolio with investments in convertible or corporate debt; the Company's intention to invest primarily in Canadian domiciled businesses with investments in other markets being dependent on specific opportunities; statements regarding the Manager's intention to invest both actively and passively; the Manager determining to further invest or divest of investments; the Company's current intention not to pay dividends and the possibility of potentially paying dividends in the future; the possibility that the Manager may, in the future, provide management services to other parties, including venture capital funds, mutual funds or investment funds engaged in similar business to that of the Company; the effect on the Company of the future performance of the Portfolio Companies; potential future share issuances; and the frequency and method of calculation of the Company's net asset value.

In order to give such forward-looking information, the Company has made certain assumptions about the Company's business, the economy and the investment industry in general and has also assumed that the Company has adopted reasonable investment strategies; the Company has adopted a reasonable definition of risk, the Manager can accurately estimate regular or recurring expenses and no significant events occur outside of the Company's normal course of business. Although the assumptions were considered reasonable by management of the Company at the time the forward-looking information was given, there can be no assurance that such assumptions will prove to be accurate.

In addition, the following are material factors that could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking information in this Prospectus and any documents incorporated herein by reference: changes in governmental regulation adverse to the Company; political and economic uncertainties including the impact of global pandemics; the inability of the Company to obtain additional financing when and as needed; dependence on a small number of key personnel; competition from other investment issuers; the Company's operating costs; the Company's ability to service debt obligations as they may arise and other related matters; the nature of the Company's investments; the available opportunities and competition for its investments; the concentration of its investments; risks relating to such significant investees, including risk relating to operations, shareholder dilution, personnel, changing technology, market growth and product development; the concentration of its investments in certain industries and sectors, equity securities, Canadian domiciled businesses and private sector businesses; the limited number of Portfolio Companies in the Company's portfolio; the Company's dependence on its Manager; the risk that the Manager may provide investment opportunities well-suited for the Company to other businesses; the risk that the payment of a performance fee to the Manager may create an incentive for it to cause the Company to make investments that are riskier or more speculative than if there were no performance fee; risks

affecting the Company's Portfolio Companies and other investments; investments by the Company in private issuers which have illiquid securities, including risks related to the Company's ability to dispose of its investment in a Portfolio Company on satisfactory terms and to the Company's valuation of its investment portfolio; management of the growth of the Company; and other risks and factors referenced in the Company's AIF (as defined herein) under the heading "*Risk Factors*". Although the Company has attempted to identify material factors that could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking information, there may be other factors that could cause results to differ from what is anticipated, estimated or intended. Those factors are described or referred to elsewhere in this Prospectus under the heading "*Risk Factors*" and in other documents available on the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

All forward-looking information contained in this Prospectus and the documents incorporated in this Prospectus by reference is given as of the date hereof or as of the date specified in the documents incorporated by reference and is based upon the opinions and estimates of management and information available to management as at the date hereof. Except as otherwise required under applicable securities laws, the Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking information contained herein to reflect any change in expectations, estimates and projections with regard thereto or any changes in events, conditions or circumstances on which any statement is based. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. In addition to the disclosure contained herein, for more information concerning the Company's various risks and uncertainties, please refer to the Company's periodic public filings available under its profile on SEDAR at www.sedar.com.

CURRENCY AND PRESENTATION OF FINANCIAL STATEMENTS

Unless otherwise specified or the context otherwise requires, all references to "\$" are to Canadian dollars and all references to "US\$" are to United States dollars.

For reporting purposes, unless otherwise noted, the financial statements of the Company incorporated by reference in this Prospectus are presented in Canadian dollars. Unless otherwise indicated, all financial statements incorporated by reference into this Prospectus have been prepared in accordance with International Financial Reporting Standards as promulgated by the International Accounting Standards Board ("**IFRS**").

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in each of the Qualifying Provinces. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Company at **Suite 1830 – 1066 West Hastings Street, Vancouver, British Columbia V6E 3X2 telephone: (604) 688-1511**. In addition, copies of documents incorporated by reference may be obtained electronically on the Company's SEDAR profile at www.sedar.com.

The following documents, filed with the securities commissions or similar authorities in the applicable provinces, are specifically incorporated by reference in, and form an integral part of, this Prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus:

- (a) the annual information form (the "**AIF**") of the Company dated November 8, 2021 for the year ended December 31, 2020;
- (b) the audited condensed financial statements (the "**Annual Financial Statements**") of the Company as at and for the years ended December 31, 2020 and 2019, together with the notes thereto and the report of the auditors thereon;

- (c) the management's discussion and analysis of financial condition and results of operations (the "MD&A") of the Company for the year ended December 31, 2020, dated as of April 7, 2021;
- (d) the material change report of the Company dated April 7, 2021, announcing that it had entered into a definitive agreement to acquire all of the issued and outstanding securities of Working Opportunity Fund (EVCC) Ltd. (now renamed Pender Private Investments Inc.);
- (e) the management information circular of the Company dated May 27, 2021, relating to the annual and special meeting of the Shareholders held on June 21, 2021;
- (f) the material change report of the Company dated May 31, 2021, announcing that it had acquired the majority of the outstanding securities of Working Opportunity Fund (EVCC) Ltd. (now renamed Pender Private Investments Inc.);
- (g) the business acquisition report dated August 11, 2021 relating to the acquisition of the majority of the outstanding securities of Working Opportunity Fund (EVCC) Ltd. (now renamed Pender Private Investments Inc.);
- (h) the unaudited condensed interim financial statements (the "Interim Statements") of the Company and the notes thereto for the three and nine months ended September 30, 2021; and
- (i) the MD&A of the Company for the three and nine months ended September 30, 2021; and
- (j) the material change report of the Company dated October 7, 2021, announcing that one of its portfolio companies, Copperleaf Technologies Inc. had completed an initial public offering and the divestment of Teradici Corporation and Redlen Technologies Inc., two of its private portfolio companies.

Any document of the type referred to in the preceding paragraph (excluding confidential material change reports), and all other documents of the type required to be incorporated by reference in a short form prospectus by National Instrument 44-101 - *Short Form Prospectus Distributions* of the Canadian Securities Administrators, filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of any offering of Securities hereunder shall be deemed to be incorporated by reference into this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed to be an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.

All information permitted by National Instrument 44-102 – *Shelf Distributions* to be omitted from this base shelf Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this base shelf Prospectus to the extent required under applicable securities laws except in cases where an exemption from such delivery has been obtained. Each shelf Prospectus Supplement will be incorporated by reference into this base shelf Prospectus for the purposes of securities legislation as of the date of the shelf Prospectus Supplement and only for the purposes of the distribution of the securities to which the shelf Prospectus Supplement pertains.

Upon a new annual information form and related annual audited consolidated financial statements and management's discussion and analysis being filed by the Company with, and where required, accepted by, the applicable securities regulatory authorities during the term of this Prospectus: (i) the previous annual information form, the previous annual audited consolidated financial statements and related management's discussion and analysis; (ii) all interim financial statements and related management's discussion and analysis, all material change reports and all business acquisition reports filed by the Company prior to the commencement of the Company's financial year in respect of which the new annual information form is filed; and (iii) any business acquisition report for acquisitions completed since the beginning of the financial year in respect of which the new annual information form is filed (only if such report is incorporated by reference into the current annual information form or at least nine months of the acquired business or related businesses operations are incorporated into the Company's current annual audited consolidated financial statements); and (iv) any information circular filed by the Company prior to the commencement of the Company's financial year in respect of which its current annual information form is filed, shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder. Upon new interim financial statements and related management's discussion and analysis being filed by the Company with the applicable securities regulatory authorities in Canada during the term of this Prospectus, all interim financial statements and related management's discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder. Upon a new information circular relating to an annual general meeting of shareholders being filed by the Company with applicable securities regulatory authorities in Canada subsequent to the date of this Prospectus and prior to the date on which this Prospectus ceases to be effective, the information circular for the preceding annual general meeting of shareholders shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms of any Securities offered thereunder will be delivered to purchasers of such Securities together with this Prospectus to the extent required under applicable securities laws except in cases where an exemption from such delivery has been obtained and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement solely for the purposes of the Securities offered thereunder.

In addition, certain "marketing materials" (as defined in National Instrument 41-101 – *General Prospectus Requirements* ("NI 41-101")) may be used in connection with a distribution of Securities. Any "template version" (as defined in NI 41-101) of any marketing materials filed after the date of a Prospectus Supplement and before the termination of the distribution of the Securities offered pursuant to such Prospectus Supplement (together with this short form Prospectus) will be deemed to be incorporated by reference in such Prospectus Supplement for the purposes of the distribution of Securities to which the Prospectus Supplement pertains.

The Company has not provided or otherwise authorized any other person to provide purchasers with information other than as contained or incorporated by reference in this Prospectus or any Prospectus Supplement. If a purchaser is provided with different or inconsistent information, he or she should not rely on it.

THE COMPANY

The Company is a publicly-listed diversified holding company focused on holding interests in businesses principally in the information technology and telecommunications sectors (each a "**Portfolio Company**").

The head office of the Company is located at Suite 1830-1066 West Hastings Street, Vancouver, British Columbia, V6E 3X2. The registered office of the Company is located at 2500-666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The Company currently is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan and Manitoba.

The Common Shares are listed on the TSXV under the symbol "PTF".

The Company also holds 100% of the Commercialization Series shares and 97% of the Venture Series shares of Pender Private Investments Inc. ("**PPI**") (formerly, Working Opportunities Fund (EVCC) Ltd.) and PPI is a subsidiary of the Company. PPI is an investment entity that holds a portfolio of companies in the technology sector. PPI has

entered into a management agreement (the "**PPI Management Agreement**") with the Manager pursuant to which the Manager makes investment decisions for PPI.

Effective December 31, 2018, the Company transitioned from a "non-redeemable investment fund" (as such term is defined in National Instrument – *Investment Fund Continuous Disclosure*) subject to the Canadian securities regulatory regime for investment funds to the Canadian securities regulatory regime for reporting issuers that are not investment funds including. As (a) the Company's investment mandate includes investing for the purposes of exercising or seeking to exercise control of its Portfolio Companies and/or being actively involved in the management of its Portfolio Companies and (b) the Company does not have a class of securities redeemable on demand, it is not considered a non-redeemable investment fund or a "mutual fund" (as such term is defined in the *Securities Act* (British Columbia)).

Investment Mandate

The Company invests opportunistically in the securities of both public and private companies. In seeking long-term capital appreciation, the Manager, on behalf of the Company, thoroughly evaluates the business prospects of each Portfolio Company over a long-term investment horizon. Regardless of whether a Portfolio Company is publicly-listed or privately-held, a long-term focus will remain paramount to the Manager's investment strategy on behalf of the Company.

The Company's investment mandate provides the Manager with flexibility to select investments for the Company in securities that it deems to have the highest risk adjusted returns at the time of investment. It is important to note that the Manager defines risk as a permanent loss of capital, which differs from volatility risk. This flexible mandate allows the Company to take advantage of market cycles and different security types for the benefit of its shareholders. Market cycles can provide opportunity as different industries, company stages or security types may become out of favour and attractively priced. As such, the Company may invest in both newly established and later-stage businesses across a wide array of industries and security types dependent on opportunity. The majority of the Company's investments will be in common equity or preferred equity securities, which may be supplemented by smaller allocations to convertible debt or corporate debt. The Company will primarily invest in Canadian domiciled businesses but may invest globally dependent on opportunity.

In accordance with the PPI Management Agreement, the Manager's role is seek an orderly realization of value to achieve returns for PPI through the divestment of PPI's remaining investments. Unless the PPI Management was amended in accordance with its terms, the Manager will not make further investments on behalf of PPI.

Portfolio Companies

The Company, through the Manager, aims to help Portfolio Companies build their intrinsic value over the long-term. The Company evaluates each Portfolio Company and determines what type assistance the Company is best suited to provide to such Portfolio Company. This assistance may include, for example, actively working with the management teams of Portfolio Companies to support them through their growth, to either conserve cash or accelerate development, to assist customers and to pursue new opportunities that had recently developed and, where necessary, the Company also supports them in optimizing their business in connection with challenges and opportunities brought on by COVID-19. Employees of the Manager will often have a board seat or advisory role with the Company's Portfolio Companies.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the share and loan capitalization of the Company since September 30, 2021, the date of the Interim Financial Statements, which are incorporated by reference into this Prospectus.

PLAN OF DISTRIBUTION

The Company may sell Securities to or through underwriters or dealers designated by the Company from time to time and may also sell Securities directly to purchasers pursuant to applicable statutory exemptions or through agents.

Underwriters, dealers or agents with respect to the Securities sold to or through underwriters, dealers or agents will be named in the Prospectus Supplement relating to that particular offering of Securities. The Prospectus Supplement relating to a particular offering of Securities will also set forth the terms of the offering of the Securities including, to the extent applicable, any fees, discounts or other remuneration payable to the underwriters, dealers or agents in connection with the offering, the method of distribution of the Securities, the issue price (in the event the offering is a fixed price distribution), the manner of determining the issue price(s) (in the event the offering is a non-fixed price distribution), the proceeds that the Company will receive and any other material terms of the plan of distribution.

Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers at the time of sale, which prices may vary as between purchasers and during the period of distribution of the Securities. Such transactions may include those deemed to be “at the market distributions” as defined in National Instrument 44-102 – *Shelf Distributions* (“**NI 44-102**”) including sales made directly on the TSXV or other existing trading markets for the Securities. Without limiting the generality of the foregoing, the Company may also issue some or all of the Securities offered by this short form Prospectus in exchange for securities or assets of other entities which the Company may acquire in the future.

The offering of Securities under this Prospectus will be made only in Canada and to residents thereof. The Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and may not be offered, sold or delivered within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption therefrom is available. If specified in the applicable Prospectus Supplement, the Company or the underwriters, dealers or agents in an offering of Securities will be entitled to offer and sell those Debt Securities to accredited investors or qualified institutional buyers, as applicable, in the United States provided such offers and sales are made pursuant to an exemption from the registration requirements under the U.S. Securities Act and in compliance with applicable state securities laws. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Securities in the United States. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Any offering of Securities other than Common Shares will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, the Securities will not be listed on any securities exchange. Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Securities other than Common Shares may be sold and purchasers may not be able to resell such Securities purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of the Securities in the secondary market (if any), the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. A prospective investor should be aware that the purchase of Securities may have tax consequences both in Canada and the United States. Prospective investors should read the tax discussion, if any, in the applicable Prospectus Supplement and consult with an independent tax advisor. See “*Risk Factors*”.

Underwriters, dealers or agents who participate in the distribution of Securities under this Prospectus may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under securities legislation, or contribution with respect to payments which the underwriters, dealers or agents may be required to make in respect thereof. The underwriters, dealers or agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

Subject to applicable securities legislation and except as set out in a Prospectus Supplement relating to a particular offering of Securities, in connection with any offering of Securities under this Prospectus, other than an offering of Securities deemed to be an “at the market distribution” under NI 44-102, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. These transactions, if commenced, may be discontinued at any time. No underwriter or dealer involved in an “at the market distribution” as defined under NI 44-102, no affiliate of such

underwriter or dealer and no person acting jointly or in concert with such underwriter or dealer has over-allotted, or will over-allot, any securities of the Company in connection with an offering of Securities or effect any transactions that are intended to stabilize the market price of the Company's securities.

USE OF PROCEEDS

Unless otherwise indicated in a Prospectus Supplement relating to a particular offering of Securities, the net proceeds to be received by the Company from the issue and sale from time to time of the Securities will be added to the general funds of the Company to be used to for potential acquisitions, working capital and general corporate purposes.

The Company had negative cash flow from operating activities for the financial year ended December 31, 2020, To the extent that the Company has negative cash flow from operating activities in future periods, the Company may need to use a portion of the proceeds from any offering to fund such negative cash flow. See "*Risk Factors – Negative Cash Flow from Operating Activities*".

EARNINGS COVERAGE RATIO

Earnings coverage ratios will be provided as required in the applicable Prospectus Supplement(s) with respect to any offering and sale of Debt Securities having a term to maturity in excess of one year pursuant to this Prospectus.

DESCRIPTION OF COMMON SHARES

The following is a brief summary of the material attributes of the Common Shares. This summary does not purport to be complete.

The holders of Common Shares are entitled to one vote per share at all meetings of shareholders of the Company except separate meetings of the holders of another class or series of shares of the Company. Subject to the preferences accorded to holders of any class of shares of the Company ranking senior to or concurrent with the Common Shares, the Common Shares are entitled to dividends, if and when declared by the Company's board of directors. In the event of the liquidation, dissolution or winding-up of the Company or other distribution of all or substantially all of the assets of the Company, the holders of Common Shares are entitled to receive the amount available to the holders of Common Shares and the holders of Class R preference shares, in preference and priority to all other shareholders, remaining after distributions to the holders of Class R preference shares.

DESCRIPTION OF DEBT SECURITIES

The following description of the terms of the Debt Securities sets forth certain general terms and provisions of the Debt Securities in respect of which a Prospectus Supplement will be filed. The particular terms and provisions of the Debt Securities offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Debt Securities.

Debt Securities may be offered separately or in combination with one or more other Securities. The Company may, from time to time, issue debt securities and incur additional indebtedness other than through the issue of Debt Securities pursuant to this short form Prospectus.

Debt Securities will be issued under one or more indentures (each, a "**Debt Indenture**"), in each case between the Company and an appropriately qualified entity authorized to carry on business as a trustee (each, a "**Trustee**"). The description below is not exhaustive and is subject to, and qualified in its entirety by reference to, the detailed provisions of the applicable Debt Indenture. Accordingly, reference should also be made to the applicable Debt Indenture, a copy of which will be filed by the Company with applicable provincial securities commissions or similar regulatory authorities in Canada after it has been entered into and before the issue of any Debt Securities thereunder and will be available electronically on SEDAR under the Company's profile which can be accessed at www.sedar.com.

The following description sets forth certain general terms and provisions of the Debt Securities and is not intended to be complete. The particular terms and provisions of the Debt Securities and a description of how the general terms and provisions described below may apply to the Debt Securities will be included in the applicable Prospectus Supplement. The following description is subject to supplement in a Prospectus Supplement and the detailed provisions of any Debt Indenture.

General

The Debt Securities may be issued from time to time in one or more series. The Company may specify a maximum aggregate principal amount for the Debt Securities of any series and, unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for issuance of additional Debt Securities of such series.

Any Prospectus Supplement for Debt Securities supplementing this short form Prospectus will contain the specific terms and other information with respect to the Debt Securities being offered thereby, including:

- the designation, aggregate principal amount and authorized denominations of such Debt Securities;
- any limit upon the aggregate principal amount of such Debt Securities;
- the currency or currency units for which such Debt Securities may be purchased and the currency or currency units in which the principal and any interest is payable (in either case, if other than Canadian dollars);
- the issue price (at par, at a discount or at a premium) of such Debt Securities;
- the date or dates on which such Debt Securities will be issued and delivered;
- the date or dates on which such Debt Securities will mature, including any provision for the extension of a maturity date, or the method of determination of such date(s);
- the rate or rates per annum (either fixed or floating, respectively) at which such Debt Securities will bear interest (if any) and, if floating, the method of determination of such rate;
- the date or dates from which any such interest will accrue and on which such interest will be payable and the record date or dates for the payment of such interest, or the method of determination of such date(s);
- if applicable, the provisions for subordination of such Debt Securities to other indebtedness of the Company;
- any redemption term or terms under which such Debt Securities may be defeased whether at or prior to maturity;
- any repayment or sinking fund provisions;
- any events of default applicable to such Debt Securities;
- whether such Debt Securities are to be issued in registered form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any exchange or conversion terms and any provisions for the adjustment thereof;

- if applicable, the ability of the Company to satisfy all or a portion of any redemption of such Debt Securities, any payment of any interest on such Debt Securities or any repayment of the principal owing upon the maturity of such Debt Securities through the issuance of securities of the Company or of any other entity, and any restriction(s) on the persons to whom such securities may be issued; and
- any other specific terms or covenants applicable to such Debt Securities.

The Company reserves the right to include in a Prospectus Supplement specific terms pertaining to the Debt Securities which are not within the options and parameters set forth in this short form Prospectus. In addition, to the extent that any particular terms of the Debt Securities described in a Prospectus Supplement differ from any of the terms described in this short form Prospectus, the description of such terms set forth in this short form Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Debt Securities.

Unless otherwise specified in a Prospectus Supplement, the Debt Securities will be direct unsecured obligations of the Company and will rank *pari passu* (except as to sinking funds) with all other unsubordinated and unsecured indebtedness of the Company, including other debt securities issued under the Debt Indenture.

DESCRIPTION OF CONVERTIBLE SECURITIES

This description sets forth certain general terms and provisions that could apply to any Convertible Securities that the Company may issue pursuant to this Prospectus. The Company will provide particular terms and provisions of a series of Convertible Securities, and a description of how the general terms and provisions described below may apply to that series, in a Prospectus Supplement.

The Convertible Securities will be convertible or exchangeable into Common Shares and/or other Securities. The Convertible Securities convertible or exchangeable into Common Shares and/or other Securities may be offered separately or together with other Securities, as the case may be. The applicable Prospectus Supplement will include details of the agreement, indenture or other instrument to which such Convertible Securities will be created and issued. The following sets forth the general terms and provisions of such Convertible Securities under this Prospectus.

The particular terms of each issue of such Convertible Securities will be described in the related Prospectus Supplement. This description will include, where applicable: (i) the number of such Convertible Securities offered; (ii) the price at which such Convertible Securities will be offered; (iii) the procedures for the conversion or exchange of such Convertible Securities into or for Common Shares and/or other Securities; (iv) the number of Common Shares and/or other Securities that may be issued upon the conversion or exchange of such Convertible Securities; (v) the period or periods during which any conversion or exchange may or must occur; (vi) the designation and terms of any other Convertible Securities with which such Convertible Securities will be offered, if any; (vii) the gross proceeds from the sale of such Convertible Securities; and (viii) any other material terms and conditions of such Convertible Securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The Company may issue Subscription Receipts, independently or together with other securities. Subscription Receipts will be issued under one or more subscription receipt agreements.

A Subscription Receipt is a security of the Company that will entitle the holder to receive one or more Securities or combination of Securities, upon the completion of a transaction, typically an acquisition by the Company of the assets or securities of another entity. After the offering of Subscription Receipts, the subscription proceeds for the Subscription Receipts are held in escrow by the designated escrow agent, pending the completion of the transaction. Holders of Subscription Receipts will not have any rights of Shareholders of the Company. Holders of Subscription Receipts are only entitled to receive the Securities or a combination thereof upon the surrender of their Subscription Receipts to the escrow agent or to a return of the subscription price for the Subscription Receipts together with any payments in lieu of interest or other income earned on the subscription proceeds.

Selected provisions of the Subscription Receipts and the subscription receipt agreements are summarized below. This summary is not complete. The statements made in this Prospectus relating to any subscription receipt agreement and Subscription Receipts to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable subscription receipt agreement.

The Prospectus Supplement will set forth the following terms relating to the Subscription Receipts being offered:

- the designation of the Subscription Receipts;
- the aggregate number of Subscription Receipts offered and the offering price;
- the terms, conditions and procedures for which the holders of Subscription Receipts will become entitled to receive Securities or a combination thereof;
- the number of Securities or a combination thereof that may be obtained upon the conversion of each Subscription Receipt and the period or periods during which any conversion must occur;
- the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each security;
- the gross proceeds from the sale of such Subscription Receipts, including (if applicable) the terms applicable to the gross proceeds from the sale of such Subscription Receipts, plus any interest earned thereon;
- the material income tax consequences of owning, holding and disposing of such Subscription Receipts;
- whether such Subscription Receipts will be listed on any securities exchange;
- any terms, procedures and limitations relating to the transferability, exchange or conversion of the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

DESCRIPTION OF WARRANTS

This section describes the general terms that will apply to any Warrants for the purchase of Securities.

Warrants may be offered separately or together with other Securities, as the case may be. Each series of Warrants may be issued under a separate warrant indenture or warrant agency agreement to be entered into between the Company and one or more banks or trust companies acting as Warrant agent or may be issued as stand-alone contracts. The applicable Prospectus Supplement will include details of the Warrant agreements governing the Warrants being offered. The Warrant agent is expected to act solely as the agent of the Company and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the Warrants offered under this short form base shelf Prospectus. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement. A copy of any warrant indenture or any warrant agency agreement relating to an offering of Warrants will be filed with applicable provincial securities commissions or similar regulatory authorities in Canada after it has been entered into and before the issue of any Warrants thereunder, and will be available electronically on SEDAR under the Company's profile which can be accessed at www.sedar.com.

The particular terms of each issue of Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of the Warrants;
- the price at which the Warrants will be offered;
- the currency or currencies in which the Warrants will be offered;
- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;
- the class and/or number of Securities that may be purchased upon exercise of each Warrant and the price at which and currency or currencies in which the Securities may be purchased upon exercise of each Warrant;
- the terms of any provisions allowing for adjustment in (i) the class and/or number of Securities or other securities or property that may be purchased, or (ii) the exercise price per Security;
- whether the Company will issue fractional shares;
- the designation and terms of any Securities with which the Warrants will be offered, if any, and the number of the Warrants that will be offered with each security;
- the date or dates, if any, on or after which the Warrants and the related Securities will be transferable separately;
- whether the Warrants will be subject to redemption and, if so, the terms of such redemption provisions;
- whether the Company has applied to list the Warrants and/or the related Security on a stock exchange; and
- any other material terms or conditions of the Warrants.

DESCRIPTION OF UNITS

The Company may issue Units comprised of one or more of the other Securities described herein in any combination. The Prospectus Supplement relating to the particular Units offered thereby will describe the terms of such Units and, as applicable, the terms of such other Securities.

Each Unit is expected to be issued so that the holder of the Unit is also the holder of each Security included in the Unit. Thus, the holder of a Unit is expected to have the rights and obligations of a holder of each included Security. The Unit agreement under which a Unit is issued, as the case may be, may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

The applicable Prospectus Supplement may describe:

- the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units; and

- any other material terms and conditions of the Units.

The preceding description and any description of Units in an applicable Prospectus Supplement does not purport to be complete and is subject to and is qualified in its entirety by reference to the Unit agreement and, if applicable, collateral arrangements and depositary arrangements relating to such Units.

PRIOR SALES

The Company has not sold any Securities in the 12 months prior to the date of this Prospectus. Prior sales of the Company's Securities, if any, will be provided as required in the applicable Prospectus Supplement(s) with respect to the issuance of Securities pursuant to such Prospectus Supplement.

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the TSXV under the symbol "PTF". On November 26, 2021, the last trading day prior to the filing of this Prospectus, the closing price of the Common Shares on the TSXV was \$18.00. The following table sets forth the high and low trading prices and trading volume of the Common Shares as reported by the TSXV for the periods indicated:

Period	High (C\$)	Low (C\$)	Volume
November 1 - 26, 2021	21.68	17.70	52,700
October 2021	18.73	12.00	139,600
September 2021	11.50	9.25	26,500
August 2021	10.10	9.00	23,100
July 2021	9.75	7.65	31,300
June 2021	8.00	7.00	22,100
May 2021	7.50	6.84	30,800
April 2021	8.00	5.35	108,600
March 2021	5.55	5.20	75,300
February 2021	6.00	4.99	174,500
January 2021	5.45	4.00	78,100
December 2020	4.45	3.60	108,500

Trading price and volume of the Common Shares will also be provided as required for each Prospectus Supplement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement will include a general summary of certain material Canadian federal income tax consequences which may be applicable to a purchaser of the Securities offered thereunder.

RISK FACTORS

Risk factors relating to the Company are discussed in the AIF and MD&A, which are incorporated by reference in this Prospectus.

The risk factors set out below, together with all of the risk factors and other information included or incorporated by reference in this Prospectus, should be carefully reviewed and considered before a decision is made to invest in any Securities qualified hereunder with an applicable Prospectus Supplement. Any of such risks could have a material adverse effect upon the Company and its business and future prospects. Such risks may not be the only risks facing the Company. Additional risks not currently known or that the Company currently considers to be immaterial may also impair the Company's business, operations and results of operation or cause the price of its securities to decline.

Risks Related to an Offering of Securities

Loss of Entire Investment

An investment in the Securities of the Company is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Allocation of Proceeds

The Company has discretion in the use of the net proceeds from an offering of Securities. The Company currently intends to allocate the net proceeds expected to be received from an offering of Securities as described under "Use of Proceeds" of this Prospectus or any Prospectus Supplement. However, the Company's management will have discretion in the actual application of the net proceeds, and the Company may elect to allocate proceeds differently from that described in "Use of Proceeds" if management believes it would be in the Company's best interests to do so. The failure by the Company's management to apply these funds effectively could have a material adverse effect on its business.

Risks Related To Listed Securities

Dilution of Existing Shareholders

The constating documents of the Company authorize the issuance of an unlimited number of Common Shares and an unlimited number of preference shares. The Company's board of directors has the authority to issue additional Common Shares to provide additional financing in the future and the issuance of any such Securities under this Prospectus and applicable Prospectus Supplement may result in a reduction of the book value (on a per share basis) or market price of the outstanding Common Shares. If the Company does issue any additional Common Shares or other Securities convertible into or exchangeable or exercisable for, Common Shares, such issuance also will cause a reduction in the proportionate ownership and voting power of all other shareholders. Further, any such issuances could result in a change of control of the Company.

Public Markets and Share Prices

The market price of the Common Shares and any other Securities offered hereunder that become listed and posted for trading on the TSXV or any other stock exchange could be subject to significant fluctuations in response to variations in the Company's financial results or other factors. In addition, fluctuations in the stock market may adversely affect the market price of the Common Shares and any other Securities offered hereunder that become listed and posted for trading on the TSXV or any other stock exchange regardless of the financial performance of the Company. Securities markets have also experienced significant price and volume fluctuations from time to time. In some instances, these fluctuations have been unrelated or disproportionate to the financial performance of issuers. Market fluctuations may adversely impact the market price of the Common Shares and any other Securities offered hereunder that become listed and posted for trading on the TSXV or any other stock exchange. There can be no assurance of the price at

which the Common Shares or any other Securities offered hereunder that become listed and posted for trading on the TSXV or any other stock exchange will trade.

No Payment of Dividends

The Company has never declared nor paid any dividends on the Common Shares. The Company intends, for the foreseeable future, to retain future earnings, if any, to finance development activities. The payment of future dividends, if any, will be reviewed periodically by the Board of Directors and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, development and growth, and other factors that the Board of Directors may consider appropriate in the circumstances.

Risks Related to the Securities

Unlisted Securities

The Securities (other than the Common Shares) are not listed on any stock exchange and issuances of other Securities under this Prospectus and applicable Prospectus Supplement may not be listed and there may not be an established trading market for those Securities. Investors may be unable to sell the Securities at the prices desired or at all. There is no existing trading market for the Debt Securities, Convertible Securities, Subscription Receipts, Warrants or Units. As a result, there can be no assurance that a liquid market will develop or be maintained for those Securities, or that an investor will be able to sell any of those Securities at a particular time (if at all). The Company may not list the Debt Securities, Convertible Securities, Subscription Receipts, Warrants or Units on any Canadian or other securities exchange, and the Common Shares may be delisted or suspended. The liquidity of the trading market in those Securities, and the market price quoted for those securities, may be adversely affected by, among other things:

- changes in the overall market for those Securities;
- changes in the Company's financial performance or prospects;
- changes or perceived changes in the Company's creditworthiness;
- the prospects for companies in the industry generally;
- the number of holders of those Securities;
- the interest of securities dealers in making a market for those Securities; and
- prevailing interest rates.

Unsecured Debt Securities

The Debt Securities may be unsecured debt of the Company and, if so, will rank equally in right of payment with all other existing and future unsecured debt of the Company. Unless collateralized or guaranteed, the Debt Securities will be effectively subordinated to all existing and future secured debt of the Company to the extent of the assets securing such debt. If the Company is involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured debt securities, including if applicable, the Debt Securities. In that event, a holder of Debt Securities may not be able to recover any principal or interest due to it under the Debt Securities.

Changes in Interest Rates

Prevailing interest rates will affect the market price or value of the Debt Securities. The market price or value of the Debt Securities may decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Credit Risk

The likelihood that purchasers of Debt Securities will receive payments owing to them under the terms of the Debt Securities will depend on the financial health of the Company and its creditworthiness. The ability of the Company to satisfy its payment obligations under the Debt Securities, other than the conversion or payment of interest in Common Shares, as the case may be, will be dependent on its ability to generate cash flows or its ability to raise additional financing.

Tax Risk

Prospective investors should be aware that the purchase of Securities may have tax consequences both in Canada and the United States. Prospectus investors should read the tax discussion, if any, in the applicable Prospectus Supplement and consult with an independent tax advisor.

Risks Related to the Business of the Company

Negative Cash Flow from Operating Activities

The Company did not achieve positive operating cash flow in its most recently completed financial year, because, as an investment entity, its cash flow from operating activities includes cash used to purchase investments and proceeds of disposition of investments. Accordingly, the Company may experience negative cash flow from operations in the future. The Company has incurred net losses in the past and may incur losses in the future unless it can derive sufficient revenues from its business. Such future losses could have an adverse effect on the market price of the Securities, which could cause investors to lose part or all of their investment.

Risks Related to the Disposition of the Company's Investments

The Company invests opportunistically in the securities of both public and private companies. In connection with the disposition of an investment in private securities, the Company may be required to make representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of a business. The Company may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate or with respect to potential liabilities. These arrangements may result in contingent liabilities that ultimately result in funding obligations that the Company must satisfy through the return of payments previously paid to it. Additionally, in connection with the disposition of an investment in public securities as a selling securityholder pursuant to an offering document of the Portfolio Company, such as a prospectus, the Company may have responsibilities with respect to the contents of such offering document. The Company may incur costs in preparing such disclosure and may also be liable for certain costs should the contents of such disclosure turn out to be inaccurate.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are KPMG LLP, Chartered Professional Accountants. KPMG LLP have confirmed they are independent within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

The transfer agent and registrar for the Common Shares is TSX Trust with an office at 1066 West Hastings Street, Suite 1600, Vancouver, BC V6E 3X1.

LEGAL MATTERS

Unless otherwise specified in a Prospectus Supplement relating to any Securities offered, certain legal matters in connection with the offering of Securities will be passed upon on behalf of the Company by Bennett Jones LLP. In addition, certain legal matters in connection with any offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the offering by such underwriters, dealers or agents, as the case may be.

EXEMPTION FROM NATIONAL INSTRUMENT 44-102

Pursuant to a decision of the Autorité des marchés financiers ("AMF") dated November 5, 2021, the Company was granted exemptive relief from the requirement that this Prospectus as well as the documents incorporated by reference herein and any applicable Prospectus Supplement and the documents incorporated by reference therein to be filed in relation to an "at-the-market" distribution to be filed with the AMF in the French language. This exemptive relief is granted on the condition that this Prospectus, any applicable Prospectus Supplement (other than in relation to an "at-the-market" distribution) and the documents incorporated by reference herein and therein be filed with the AMF in the French language if the Company offers Securities to Québec purchasers in connection with an offering other than in relation to an "at-the-market" distribution

PURCHASER'S STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In certain of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Purchasers of securities distributed under an "at-the-market distribution" by the Company do not have the right to withdraw from an agreement to purchase the securities and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to the securities purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the securities purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102. Any remedies under securities legislation that a purchaser of securities distributed under an "at-the-market distribution" by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above. A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

In an offering of Securities that are convertible, exchangeable or exercisable into other securities of the Company, purchaser are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which such Securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the Security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

PURCHASER'S CONTRACTUAL RIGHTS

Original purchasers of Debt Securities, Subscription Receipts or Warrants (or Units comprised wholly or partly of such Securities) offered separately without other Securities, will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Debt Securities, Subscription Receipts or Warrants (or Units comprised wholly or partly of such Securities). The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, in addition to the amount paid on original purchase, upon surrender of the underlying Securities gained thereby, in the event that this Prospectus, the relevant Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that both: (i) the conversion, exchange or exercise; and (ii) the exercise of the contractual right of rescission take place within 180 days of the date of the purchase of the aforementioned Debt Securities, Subscription Receipts or Warrants (or Units comprised wholly or partly of such Securities) under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of

the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

CERTIFICATE OF THE COMPANY

Dated: November 29, 2021.

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of a particular distribution of securities under this prospectus and the supplement(s)), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

"David Barr"

David Barr
Chief Executive Officer

"Gina Jones"

Gina Jones
Chief Financial Officer

On behalf of the Board of Directors

"Kelly Edmison"

Kelly Edmison
Director

"Ian Power"

Ian Power
Director