

FORM 62-103F3

**REQUIRED DISCLOSURE BY AN ELIGIBLE INSTITUTIONAL INVESTOR
UNDER PART 4**

This report is filed to amend information disclosed in an earlier report filed on December 10, 2018.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to common shares (“**Common Shares**”) in the capital of The Second Cup Ltd. (the “**Issuer**”).

The address of the head office of the Issuer is:

6303 Airport Road, 2nd Floor,
Mississauga, Ontario, L4V 1R8

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The transactions for which this report relates took place over the facilities of the Toronto Stock Exchange.

Item 2 – Identity of the Eligible Institutional Investor

2.1 State the name and address of the eligible institutional investor.

Canso Investment Counsel Ltd. ("**Canso**")
100 York Boulevard, Suite 550,
Richmond Hill, Ontario, Canada,
L4B 1J8.

Canso is an investment advisor that furnishes investment advice to and manages separate managed accounts (such accounts, the "**Accounts**"). The Accounts currently hold securities of the Issuer for investment purposes only and not for the purpose of influencing control or direction of the Issuer.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

The requirement to file this report was triggered on November 30, 2019 as a result of the acquisition of Common Shares by the Accounts since the last Alternative Monthly

Report filed by Canso on December 10, 2018.

2.3 State the name of any joint actors.

Not applicable.

2.4 State that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer.

This report is filed pursuant to the exemption from the Early Warning Requirements described in Part 4.1 of NI 62-103. Canso is not disqualified from reporting under Part 4 of NI 62-103. Specifically, as of the date hereof, neither Canso, nor to Canso's knowledge, any entities which may be considered joint actors:

- (a) has made, or intends to make, a formal take-over bid for securities of the Issuer;
- (b) proposes, or intends to propose, a reorganization, amalgamation, merger, arrangement or similar business combination that if completed would reasonably be expected to result in Canso, either alone or together with any joint actors, possessing effective control over the Issuer or a successor to all or part of the business of the Issuer; or
- (c) has solicited, or intends to solicit proxies from securityholders of the Issuer in any of the following circumstances:
 - (i) in support of the election of one or more persons as directors of the Issuer other than the persons proposed to be nominated by management of the Issuer;
 - (ii) in support of a reorganization, amalgamation, merger, arrangement or other similar corporate action involving securities of the Issuer if that action is not supported by management of the Issuer;
 - (iii) in opposition to a reorganization, amalgamation, merger, arrangement or other similar corporate action involving the securities of the Issuer if that action is proposed by management of the Issuer.

The filing of this report is not an admission that any entity named in this report owns or controls any described securities or is a joint actor with another named entity.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and the net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements.

Since the last Alternative Monthly Report filed by Canso on December 10, 2018, the Accounts have acquired a net amount of 117,700 Common Shares of the Issuer. As a result, Canso's securityholding percentage in the Issuer has increased by approximately 0.36% from approximately 9.75% to approximately 10.11%.

3.2 *State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made.*

As of November 30, 2019, Canso, for and on behalf of the Accounts, exercises control and direction over 2,061,600 Common Shares of the Issuer. This represents a securityholding percentage of approximately 10.11%, calculated on the basis of 20,394,979 total issued and outstanding common shares.

3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

3.4 *State the designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities to which this report relates and over which*

(a) *the eligible institutional investor, either alone or together with any joint actors, has ownership and control,*

Not applicable.

(b) *the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor, and*

Not applicable.

(c) *the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Canso has control or direction over, but not ownership of, the securities referred to in Section 3.2 above in its capacity as investment manager of the Accounts.

3.5 *If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.*

Not applicable.

- 3.6 *If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.7 *If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 – Purpose of the Transaction

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) *the acquisition of additional securities of the reporting issuer, or the disposition of securities of the issuer;*

In the ordinary course of business, Canso conducts analysis of securities in which it may invest on behalf of the Accounts. Based on that analysis, it makes buy and sell decisions on a continuous basis on behalf of such Accounts. Accordingly, depending upon the circumstances, Canso may, on behalf of its Accounts, acquire additional securities or related financial instruments of the Issuer or dispose of securities or related financial instruments of the Issuer previously acquired.

- (b) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*

Not applicable.

- (c) *a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;*

Not applicable.

- (d) *a material change in the present capitalization or dividend policy of the reporting issuer;*

Not applicable.

- (e) *a material change in the reporting issuer's business or corporate structure;*

Not applicable.

- (f) *a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;*

Not applicable.

- (g) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*

Not applicable.

- (h) *the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*

Not applicable.

- (i) *a solicitation of proxies from securityholders;*

Not applicable.

- (j) *an action similar to any of those enumerated above.*

Not applicable.

Item 5 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Dispositional and voting authority over the above securities is held by Canso pursuant to various investment advisory agreements between Canso and the Accounts.

Item 6 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 7 – Certification

I, as the eligible institutional investor, certify, or I, as the agent filing the report on behalf of the eligible institutional investor, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED this 10th day of December, 2019.

CANSO INVESTMENT COUNSEL LTD.

By: (signed) Jeff Carter
Name: Jeff Carter
Title: Chief Compliance Officer