

**Form 62-103F1**  
*Required Disclosure under the Early Warning Requirements*

**State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.**

Not applicable.

**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 (“**Shares**”) in the capital of Input Capital Corp. (the “**Issuer**”).

The Issuer’s address is:

300, 1914 Hamilton Street  
Regina, Saskatchewan  
S4P 3N6

Share ownership information provided in this report has been calculated based on a total of 81,722,758 Shares issued and outstanding as of March 31, 2017 as reported by the Issuer.

**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 transaction triggering the requirement to file this report was a disposition of Shares held by XL Value Offshore LLC completed by way of block trade through the facilities of the TSX Venture Exchange.

**Item 2 – Identity of the Acquiror**

**2.1 State the name and address of the acquiror.**

XL Value Offshore LLC  
O’Hara House, One Bermudiana Road  
Hamilton, HM 08,  
Bermuda

XL Value Offshore LLC (“**XLVO**”) is a limited liability company organized under the laws of Bermuda that operates as an investment holding company.

**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.**

On July 6, 2017, XLVO sold 500,000 Shares by way of block trade through the facilities of the TSX Venture Exchange at a price of \$2.00 per Share, for aggregate gross proceeds to XLVO of \$1,000,000 (the “**Transaction**”).

**2.3 State the names of any joint actors.**

Not applicable.

**Item 3 – Interest in Securities of the Reporting Issuer**

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.**

XLVO sold 500,000 Shares (the “**Purchased Shares**”) representing approximately 0.61% of the outstanding Shares.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

XLVO disposed of ownership and control over the Purchased 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 acquiror’s securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Immediately before the Transaction, XLVO owned 8,518,874 Shares, representing approximately 10.42% of the outstanding Shares. Immediately after the Transaction, XLVO owns 8,018,874 Shares, representing approximately 9.81% of the outstanding Shares.

**3.5 State the designation and number or principal amount of securities and the acquiror’s securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See paragraph 3.4 above.

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

Not applicable.

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

Not applicable.

- 3.6 If the acquiror 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 acquiror's securityholdings.**

Not applicable.

- 3.7 If the acquiror 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.**

Not applicable.

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

Not applicable.

- 3.8 If the acquiror 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 acquiror'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.**

See paragraph 2.2 above.

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

See paragraph 2.2 above.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities,**

**including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

Not applicable.

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

#### **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror 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 reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) 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;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) 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 or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Transaction was entered into by XLVO in the normal course of its investment activity. XLVO holds Shares for investment purposes and may, from time to time, increase or decrease its investment in the Issuer through market transactions, private agreements, treasury issuances or otherwise at any time subject to applicable contractual restrictions and depending on market conditions and any other relevant factors.

#### **Item 6 – 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 acquiror 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, 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.**

XLVO is a lender to each of Emsley & Associates (2002) Ltd., Farquhar Family Trust and Dalhousie Capital Corp. (collectively, the “**April 2017 Purchasers**”) pursuant to three loan agreements dated April 18, 2017 (each, a “**Loan Agreement**”) entered into in connection with the transactions described in XLVO’s early warning report dated April 18, 2017 (the “**April 2017 Transactions**”). Each Loan Agreement bears interest at a rate of 8.5% annually, is due on April 17, 2022, and is secured by Shares of the applicable April 2017 Purchaser or its affiliates (in each case, the “**Pledged Shares**”). Any and all proceeds of or from the Pledged Shares, including any dividends or distributions paid on the Pledged Shares, are to be applied against interest and principal under the loans. The April 2017 Purchasers are entitled to vote the Pledged Shares prior to any default event. The April 2017 Purchasers are required to pledge additional Shares in certain circumstances. XLVO’s sole recourse under each Loan Agreement is limited to the Pledged Shares of the applicable April 2017 Purchaser.

In connection with the April 2017 Transactions, XLVO also agreed not to, without the prior written consent of each of the April 2017 Purchasers, sell more than 2,000,000 Shares during the period commencing on April 18, 2017 and ending on October 17, 2017 (in addition to the 4,250,000 Shares disposed of by XLVO pursuant to the April 2017 Transactions). This restriction does not apply to any disposition of Shares by XLVO to one or more affiliates or any disposition under a take-over bid or other similar acquisition transaction, reorganization, plan or arrangement or merger involving the Issuer.

#### **Item 7 – Change in Material Fact**

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

Not applicable, other than as described in this report.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

**Item 9 – Certification**

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

July 6, 2017  
Date

(signed) "Stephen Penner"  
Signature

Stephen Penner, Authorized Signatory  
Name/Title