

*This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you are urged to consult your investment dealer, stock broker, bank manager, lawyer, accountant or other professional advisor. The Offer (as defined below) has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.*

*This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, and deposits will not be accepted from or on behalf of, shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction. However, Input Capital Corp. may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.*

June 3, 2019



**INPUT CAPITAL**  
THE AGRICULTURE STREAMING COMPANY

**OFFER TO PURCHASE FOR NOT MORE THAN \$15,000,000 IN VALUE OF ITS COMMON SHARES AT A PURCHASE PRICE OF NOT LESS THAN \$0.72 AND NOT MORE THAN \$0.82 PER COMMON SHARE**

Input Capital Corp. (“**Input Capital**”, the “**Corporation**”, “**we**”, “**our**” or “**us**”) invites the holders of its common shares (the “**Shares**”) to tender, for purchase and cancellation by the Corporation, up to \$15,000,000 in value of its Shares pursuant to (i) auction tenders in which the tendering holders of Shares (“**Shareholders**”) specify a price of not less than \$0.72 per Share and not more than \$0.82 per Share (in increments of \$0.02 per Share within such range) (“**Auction Tenders**”), or (ii) purchase price tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have Shares purchased at the Purchase Price (as defined below) that is determined as provided herein (“**Purchase Price Tenders**”).

The invitation and all tenders of Shares are subject to the terms and conditions set forth in this offer to purchase (“**Offer to Purchase**”), the accompanying issuer bid circular (the “**Circular**”), and the related Letter of Transmittal and Notice of Guaranteed Delivery (all such documents, as amended or supplemented from time to time, collectively constitute the “**Offer**”).

**The Offer will commence on June 3, 2019 and expire at 5:00 p.m. (Eastern time) on July 12, 2019 or such later time and date to which the Offer may be extended by Input Capital, unless terminated, extended or varied by Input Capital** (such time on such date, the “**Expiration Time**”). The Offer is not conditional upon any minimum number of Shares being tendered under the Offer and the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer. The Offer is, however, subject to other conditions and Input Capital reserves the right, subject to applicable laws, to withdraw, extend or vary the Offer if, at any time prior to the payment of the Purchase Price, certain events occur. See “Offer to Purchase – Conditions of the Offer”.

Upon the terms and subject to the conditions of the Offer, promptly following the Expiration Time, the Corporation will determine a single price per Share (the “**Purchase Price**”), which will not be less than \$0.72 per Share and not more than \$0.82 per Share, that is the lowest price that enables it to purchase the maximum number of Shares validly tendered and not properly withdrawn pursuant to the Offer having an aggregate purchase price not exceeding \$15,000,000.

If the Purchase Price is determined to be \$0.72 per Share (which is the minimum Purchase Price under the Offer), the maximum number of Shares that may be purchased by the Corporation is 20,833,333 Shares. If the Purchase Price is determined to be \$0.82 per Share (which is the maximum Purchase Price under the Offer), the maximum number of Shares

that may be purchased by the Corporation is 18,292,682 Shares. For the purpose of determining the Purchase Price, Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at \$0.72 per Share (which is the minimum Purchase Price under the Offer). If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. Shares validly tendered by a Shareholder pursuant to an Auction Tender will not be purchased by the Corporation pursuant to the Offer if the price specified by the Shareholder is greater than the Purchase Price. A Shareholder who wishes to tender Shares, but who does not wish to specify a price at which such Shares may be purchased by the Corporation, should make a Purchase Price Tender. Each Shareholder who validly tenders Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

**Each Shareholder who has validly tendered Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender, and who has not properly withdrawn such Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration and the preferential acceptance of Odd Lots (as defined below), each as described herein.**

The Purchase Price will be denominated and payable in Canadian dollars. See “Offer to Purchase – Taking Up and Payment for Tendered Shares”.

If the aggregate purchase price for Shares validly tendered and not properly withdrawn pursuant to the Auction Tenders at prices at or below the Purchase Price and Purchase Price Tenders (collectively, the “**Successfully Tendered Shares**”) by Shareholders (the “**Successful Shareholders**”) would result in an aggregate purchase price in excess of \$15,000,000, then the Successfully Tendered Shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Shareholders who own fewer than 100 Shares (the “**Odd Lot Holders**”) at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a *pro rata* basis according to the number of Shares tendered or deemed to be tendered at a price equal to or less than the Purchase Price by the tendering Shareholders, less the number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any. See “Offer to Purchase– Number of Shares and Pro-Ration”.

Certificates for all Shares not purchased under the Offer (including Shares not purchased because of pro-ration), or properly withdrawn before the Expiration Time, will be returned (in the case of certificates representing Shares all of which are not purchased) or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), promptly after the Expiration Time or termination of the Offer or the date of withdrawal of the Shares, without expense to the Shareholder. In the case of Shares tendered through book-entry transfer into the Depository’s account at CDS Clearing and Depository Services Inc. (“**CDS**”), or held through the Direct Registration System (“**DRS**”) maintained by the Corporation’s transfer agent the Shares will be credited to the appropriate account maintained by the tendering Shareholder or CDS, as applicable, without expense to the Shareholder.

**As of June 3, 2019, there were 82,021,960 Shares issued and outstanding and, accordingly, the Offer is for a maximum of approximately 25.4% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.72 per Share (being the minimum Purchase Price under the Offer), and for a maximum of approximately 22.3% if the Purchase Price is determined to be \$0.82 per Share (being the maximum Purchase Price under the Offer).**

The Shares are listed and posted for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol ‘INP’. On May 31, 2019, the last full trading day prior to the public announcement of the Corporation of its intention to make the Offer, the closing price of the Shares was \$0.72 per Share.

The board of directors of the Input Capital (the “**Board of Directors**”) has obtained a liquidity opinion (the “**Liquidity Opinion**”) from Evans & Evans, Inc. to the effect that, based on and subject to the qualifications, assumptions and limitations stated in the Liquidity Opinion, (a) there is a liquid market for the Shares as of June 3, 2019, and (b) that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed as of June 3, 2019. A copy of the Liquidity Opinion of Evans & Evans, Inc. is attached hereto as Schedule A. Relying on the Liquidity Opinion, the Corporation has concluded it can rely on the “liquid market exemption” specified in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Neither Input Capital, nor a designated broker acting on its behalf, has purchased or will purchase any Shares pursuant to the Corporation's normal course issuer bid announced on December 14, 2018 (the "2018 NCIB") or otherwise from the time the Offer was publicly announced on June 3, 2019 until its expiration. Since the commencement of the 2018 NCIB on December 18, 2018, Input Capital has purchased a total of 1,072,500 Shares for cancellation thereunder.

The Board of Directors has approved the Offer. However, none of Input Capital, the Board of Directors, TSX Trust Company, the depositary for the Offer (the "Depositary"), or any of the experts named in the Offer makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which Shareholders may tender Shares under the Offer. Shareholders must make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.

**Shareholders should carefully consider the income tax consequences of tendering Shares under the Offer. See "Issuer Bid Circular – Income Tax Consequences".**

Shareholders wishing to tender all or any portion of their Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See "Offer to Purchase – Procedures for Tendering Shares".

Shareholders should carefully read the information in this Offer to Purchase and accompanying Circular and in the other Offer documents, including our reasons for making the Offer. Shareholders are also urged to discuss their decisions with their financial and tax advisors.

**The Offer expires at 5:00 p.m. (Eastern time) on July 12, 2019 unless extended, varied or withdrawn.**

**NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING SHARES PURSUANT TO THE OFFER, OR AS TO THE PRICE OR PRICES AT WHICH TO TENDER SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS OR THE DEPOSITARY.**

Any questions or requests for information regarding the Offer should be directed to the Depositary at the address and telephone number of the Depositary set forth on the last page of this Offer to Purchase and the accompanying Circular.

#### **FORWARD-LOOKING INFORMATION**

This Offer to Purchase and accompanying Circular includes forward-looking statements and forward-looking information regarding Input Capital and its business, including, but not limited to: our intention to undertake a substantial issuer bid and the terms thereof, including the maximum dollar value of Shares we may purchase under the Offer; the timing for completion of the Offer; the sources and availability of funding for the Offer; the price range and the date on which we will announce the final results of the Offer or pay for tendered Shares; our intention to purchase additional Shares following expiry of the Offer in accordance with applicable law; the expected effects of the Offer; the effect of the Offer on our future earnings, operations and financial condition; and our belief that the Offer is a prudent use of the Corporation's financial resources. Such statements and information are based on the current expectations and views of future events of Input Capital's management. In some cases, the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements.

The forward-looking events and circumstances discussed in this Offer to Purchase and accompanying Circular may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Input Capital, including: the Offer not occurring as expected, including the failure of any condition to the Offer; our ability to finance the Offer principally with cash on the balance sheet; the extent to which Shareholders elect to tender their Shares under the Offer; our having sufficient financial resources and working capital following completion of the Offer; the market for our

Shares at the completion of the Offer being materially less liquid than the market that exists at the time we commence the Offer; the Offer being completed in July 2019; risks regarding our industry; the variability of revenue and operating results; economic factors; and many other factors beyond the control of Input Capital. No forward-looking statement can be guaranteed.

Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Input Capital undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

## **INFORMATION FOR UNITED STATES SHAREHOLDERS**

The Offer is made by Input Capital, a Canadian issuer, for its own Shares, which are not registered with the U.S. Securities and Exchange Commission under the U.S. Securities and Exchange Act of 1934, as amended. While the Offer is subject to the disclosure requirements of the province of Ontario and the other provinces of Canada, U.S. Shareholders should be aware that these disclosure requirements are different from those of the U.S. Financial statements of Input Capital have been prepared in accordance with International Financial Reporting Standards and are subject to Canadian auditing and auditor independence standards and, therefore, they may not be comparable to financial statements of U.S. companies.

The enforcement by Shareholders of civil liabilities under U.S. federal and state securities laws may be adversely affected by the fact that Input Capital is incorporated under *The Business Corporations Act* (Saskatchewan) and that its directors and officers are residents of Canada. In addition, U.S. Shareholders should not assume that courts in Canada or in the countries where such directors and officers reside or in which Input Capital's non-U.S. assets or the assets of such persons are located (i) would enforce judgments of U.S. courts obtained in actions against Input Capital or such persons predicated upon civil liability provisions of U.S. federal and state securities laws as may be applicable, or (ii) would enforce, in original actions, any asserted liabilities against Input Capital or such persons predicated upon such laws. Enforcement of any asserted civil liabilities under U.S. securities laws may be further adversely affected by the fact that some or all of the experts named in the Offer may be residents of Canada.

U.S. Shareholders should be aware that the acceptance of the Offer will have certain tax consequences under U.S. and Canadian law. See "Issuer Bid Circular – Income Tax Consequences".

## **NOTICE TO HOLDERS OF OPTIONS**

The Offer is made only for Shares and is not made for any options ("**Options**") to acquire Shares. Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer. An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.

Holders who exercise Options and then tender the Shares received on such exercise pursuant to the Offer could suffer adverse tax consequences. The tax consequences of such an exercise are not described under "Issuer Bid Circular – Income Tax Consequences". Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

## **CURRENCY**

All dollar references in this Offer to Purchase and the accompanying Circular are in Canadian dollars, except where otherwise indicated.

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## SUMMARY

*This summary is solely for the convenience of Shareholders and is qualified in its entirety by references to the full text and more specific details of the Offer described elsewhere in this Offer to Purchase and accompanying Circular. We urge you to read the entire Offer to Purchase, Circular, Letter of Transmittal and Notice of Guaranteed Delivery carefully and in their entirety as they contain a complete discussion of the Offer. Shareholders are also urged to discuss their decisions with their financial and tax advisors.*

**Who is offering to purchase my Shares?**

Input Capital Corp., which we refer to as “**Input Capital**”, the “**Corporation**” “**we**”, “**us**”, or “**our**”. See “Offer to Purchase – The Offer”.

**Why is Input Capital making the Offer?**

In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation’s business and therefore, the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders.

**What will the Purchase Price for the Shares be and what will be the form of payment?**

We are conducting the Offer through a procedure commonly called a “modified Dutch auction”. This procedure allows Shareholders to select the price within a price range specified by Input Capital at which Shareholders are willing to sell their Shares. The price range for the Offer is \$0.72 to \$0.82 per Share (in increments of \$0.02 per Share within such range). We will select the lowest purchase price that will allow us to purchase the maximum number of Shares validly tendered and not properly withdrawn pursuant to the Offer having an aggregate purchase price not exceeding \$15,000,000. We will purchase all Shares purchased under the Offer at the same Purchase Price, even if some of the Shares are tendered below the Purchase Price, but we will not purchase any Shares above the Purchase Price. We will determine the Purchase Price for the tendered Shares promptly after the Offer expires. If a Shareholder’s Shares are purchased under the Offer, that Shareholder will be paid the Purchase Price (subject to applicable withholding taxes, if any) in cash, without interest, promptly following the expiration of the Offer, for each such Share. Under no circumstances will we pay interest on the Purchase Price, even if there is a delay in making payment. See “Offer to Purchase – Purchase Price”.

**How many Shares will Input Capital purchase in the Offer?**

We are offering to purchase Shares that have an aggregate purchase price not exceeding \$15,000,000. At the maximum purchase price of \$0.82 per Share, we could purchase a maximum of 18,292,682 Shares. At the minimum purchase price of \$0.72 per Share, we could purchase a maximum of 20,833,333 Shares. Since we will be unable to determine the Purchase Price until after the Expiration Time, we will not determine the exact number of Shares that we will purchase until after the Expiration Time. See “Offer to Purchase – Number of Shares and Pro-Ration”.

**What will happen if Shares with an aggregate purchase price of more than \$15,000,000 are tendered in the Offer?**

If the aggregate purchase price for the Shares validly tendered and not properly withdrawn pursuant to the Offer by Purchase Price Tender or by Auction Tender at a price per Share not greater than the Purchase Price exceeds \$15,000,000, then we will purchase the Successfully Tendered Shares on a *pro rata* basis according to the number of Shares tendered by the Successful Shareholders (with adjustments to avoid the purchase of fractional Shares), except that “Odd Lot” tenders of Successfully Tendered Shares will not be subject to pro-ration. See “Offer to Purchase – Number of Shares and Pro-Ration”.

**What do I do if I own an “Odd Lot” of Shares?**

If you beneficially own fewer than 100 Shares as of the Expiration Time and you tender all such Shares, we will accept for purchase, without pro-ration but otherwise subject to the terms and conditions of the Offer, all of your Shares validly tendered pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender. You should check the appropriate place in Box D – “Odd Lots” in the Letter of Transmittal. See “Offer to Purchase – Number of Shares and Pro-Ration”.

**How can I maximize the chance that my Shares will be purchased?**

If you wish to maximize the chance that your Shares will be purchased, you should tender them by Purchase Price Tender, indicating that you will accept the Purchase Price. You should understand that this election will have the same effect as if you have selected the minimum Purchase Price of \$0.72 per Share, although the actual price per Share paid to you, if the Offer is completed, will be the Purchase Price, determined in accordance with the terms of the Offer. The actual price per Share paid to you may be equal to or higher than the minimum Purchase Price of \$0.72 per Share. See “Issuer Bid Circular – Price Range and Trading Volume of the Shares” for recent market prices for the Shares. Shareholders are urged to obtain current market quotations for the Shares.

**How will Input Capital pay for the Shares?**

We intend to pay for Shares purchased in the Offer (to a maximum aggregate amount of \$15,000,000) with cash on its balance sheet. See “Issuer Bid Circular – Source of Funds”.

**How long do I have to tender my Shares?**

You may tender your Shares prior to the expiration of the Offer. The Offer will expire on July 12, 2019 at 5:00 p.m. (Eastern time), unless we extend or terminate it prior to such time. We may choose to extend the Offer at any time and for any reason, subject to applicable laws. See “Offer to Purchase – Extension and Variation of the Offer”. If a broker, dealer, commercial bank, trust company or other nominee holds your Shares, it is likely that it has an earlier deadline, for administrative reasons, for you to act to instruct them to tender Shares on your behalf. **We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to confirm any earlier deadline.** See “Offer to Purchase – The Offer” and “Offer to Purchase – Extension and Variation of the Offer”.

**Are there any conditions to the Offer?**

Yes. The Offer is subject to a number of conditions, such as the absence of court and governmental action prohibiting the Offer and changes in market and general economic conditions that, in our judgment, are or may be materially adverse to us, as well as certain other conditions that in each case must be satisfied or waived by us on or prior to the expiration of the Offer. The Offer is not conditional upon any minimum number of Shares being tendered under the Offer. See “Offer to Purchase – Conditions of the Offer”.

**How do I tender my Shares?**

To tender Shares pursuant to the Offer, you must (i) deliver prior to the Expiration Time the certificate(s) or DRS statement(s) for all tendered Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (with signatures that are guaranteed if so required in accordance with the Letter of Transmittal), and any other documents required by the Letter of Transmittal, to the Depository, at its Toronto, Ontario office address listed in the Letter of Transmittal, (ii) follow the guaranteed delivery procedure described under “Offer to Purchase – Procedures for Tendering Shares”, or (iii) transfer all tendered Shares pursuant to the procedures for book-entry transfer described under “Offer to Purchase – Procedures for Tendering Shares”, in each case prior to the Expiration Time. If your Shares are held through a broker, dealer, commercial bank, trust company or other nominee, you must request that your broker, dealer, commercial bank, trust company or other nominee tender your Shares for you. You may contact the Depository for assistance. See “Offer to Purchase – Procedures for Tendering Shares” and the instructions to the related Letter of Transmittal.

**Can I tender part of my Shares at different prices?**

Yes. You can elect to tender your Shares in separate lots at a different price and/or different type of tender for each lot. However, you cannot tender the same Shares at different prices. If you tender some Shares at one price and other Shares at another price, you must use a separate Letter of Transmittal for each lot you tender. See “Offer to Purchase – Procedures for Tendering Shares”.

**May I tender only a portion of the Shares I own?**

You do not have to tender all of the Shares you own to participate in the Offer, unless you are tendering an “Odd Lot”.

**What will happen if I do not tender my Shares?**

Upon the completion of the Offer, non-tendering Shareholders, and Shareholders who retain an equity interest in the Corporation as a result of partial tender of Shares or pro-rata, will realize a proportionate increase in their relative ownership interest in Input Capital and thus in its future profits or losses and assets, subject to Input Capital’s right to issue additional Shares and other equity securities (and securities exercisable for, or convertible into, equity securities) in the future. The amount of Input Capital’s future cash assets will be reduced and/or its liabilities increased by the amount paid and expenses incurred in connection with the Offer. See “Issuer Bid Circular – Purpose and Effect of the Offer”.

**Once I have tendered Shares in the Offer, can I withdraw my tender?**

Yes. You may withdraw any Shares you have tendered (i) at any time prior to the Expiration Time, (ii) at any time if we have not taken up the Shares before actual receipt by the Depository of a notice of withdrawal in respect of such Shares, (iii) if we have not paid for the Shares within three business days of being taken up, or (iv) at any time before the expiration

of 10 days from the date that a notice of change or notice of variation (other than a variation that (A) consists solely of an increase in the consideration offered for the Shares under the Offer where the time for tender is not extended for greater than 10 days, or (B) consists solely of the waiver of a condition of the Offer) has been given in accordance with the Offer to Purchase. See “Offer to Purchase – Withdrawal Rights”.

**How do I withdraw Shares I previously tendered?**

You must deliver, on a timely basis, a written or printed notice of your withdrawal to the Depositary at its Toronto, Ontario office address appearing on the back cover page of this Offer to Purchase and Circular. A notice of withdrawal must specify your name, the number of Shares to be withdrawn and the name of the registered holder of the withdrawn Shares. Some additional requirements apply if the Share certificates or DRS statement(s) to be withdrawn have been delivered to the Depositary or if your Shares have been tendered under the procedure for book-entry transfer. See “Offer to Purchase – Withdrawal Rights”. If you have tendered your Shares by giving instructions to a broker, dealer, commercial bank, trust company or other nominee, you must instruct your broker, dealer, commercial bank, trust company or other nominee to arrange for the withdrawal of your Shares. Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Shares that differ from those set out in this Offer to Purchase. We recommend that you contact your nominee to find out its deadline.

**Can the Offer be terminated, extended or varied?**

Yes. We may extend or vary the Offer in our sole discretion. See “Offer to Purchase – Extension and Variation of the Offer”. We may also terminate the Offer under certain circumstances. See “Offer to Purchase – Conditions of the Offer”.

**How will I be notified if Input Capital extends, varies or terminates the Offer?**

We will issue a press release announcing the extension and the new Expiration Time by 9:00 a.m. (Eastern time) on the business day after the previously scheduled Expiration Time if we decide to extend the Offer. We will announce any other variation to or termination of the Offer by issuing a press release announcing such variation or termination. See “Offer to Purchase – Extension and Variation of the Offer”.

**Has Input Capital or the Board of Directors adopted a position on the Offer?**

The Board of Directors has approved the Offer. However, none of Input Capital, the Board of Directors, the Depositary or any of the experts named in the Offer makes any recommendation to you or to any other Shareholders as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which you or any other Shareholders may tender Shares under the Offer. You must make your own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.

**Will Input Capital’s directors, officers or affiliates participate in the Offer?**

Our directors and officers have advised us that they do not intend to tender Shares pursuant to the Offer. The Corporation has no knowledge regarding the participation of any other of its affiliates in the Offer.

**Following the Offer, will Input Capital continue as a public corporation?**

Yes. We do not believe that our purchase of Shares through the Offer will cause our remaining Shares to be de-listed from the TSXV. See “Issuer Bid Circular – Purpose and Effect of the Offer”.

**What impact will the Offer have on the liquidity of the market for the Shares?**

The Board of Directors has determined that it is reasonable to conclude that, following completion of the Offer, there will be a market for Shareholders who do not tender their Shares to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. In addition, the Board of Directors has, on a voluntary basis, obtained the Liquidity Opinion from Evans & Evans, Inc. A copy of the opinion of Evans & Evans, Inc. Inc. is attached hereto as Schedule A. See “Issuer Bid Circular – Purpose and Effect of the Offer – Liquidity of Market”.

**When will Input Capital pay for the Shares I tender?**

We will pay the Purchase Price (less applicable withholding taxes, if any) to Shareholders in cash, without interest, for the Shares we purchase promptly after the expiration of the Offer. See “Offer to Purchase – Taking Up and Payment for Tendered Shares”.

**In what currency will Input Capital pay for the Shares I tender?**

The Purchase Price will be denominated in Canadian dollars. All Shareholders who tender their Shares to the Offer will receive the same Purchase Price. See “Offer to Purchase – Taking Up and Payment for Tendered Shares”.

**Will I have to pay brokerage commissions if I tender my Shares?**

If you are a registered Shareholder and you tender your Shares directly to the Depository, you will not incur any brokerage commissions. If you hold Shares through a broker, dealer, commercial bank, trust company or other nominee, we urge you to consult your broker, dealer, commercial bank, trust company or other nominee to determine whether transaction costs are applicable. See “Offer to Purchase – Taking Up and Payment for Tendered Shares”.

**How do holders of vested but unexercised Options participate in the Offer?**

**The Offer is made only for Shares and not made for any Options.** Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer. **An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.** Holders of Options that exercise Options and then tender the Shares received on such exercise pursuant to the Offer could suffer adverse tax consequences. The tax consequences of such an exercise are not described under “Issuer Bid Circular – Income Tax Consequences”. Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

**What are the income tax consequences if I tender my Shares?**

**You should carefully consider the income tax consequences to you of tendering Shares pursuant to the Offer. We urge you to seek advice from your own tax advisors with respect to your particular circumstances as to the tax consequences you may incur as a result of our purchase of your Shares under the Offer. See “Issuer Bid Circular – Income Tax Consequences”.**

**Whom can I talk to if I have questions?**

The Depositary can help answer your questions. The Depositary is TSX Trust Company. Contact information for the Depositary is set forth on the back cover of this document.

**How do I get my Shares back if I have tendered them pursuant to the Offer but they are not taken up?**

All Shares tendered but not taken up under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned promptly after the Expiration Time or termination of the Offer without expense to the tendering Shareholder.

**NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS OR THE DEPOSITARY.**

## OFFER TO PURCHASE

To the Shareholders of Input Capital Corp.

### 1. THE OFFER

Input Capital invites Shareholders to tender, for purchase and cancellation by the Corporation, Shares pursuant to (i) Auction Tenders in which the tendering Shareholders specify a price of not less than \$0.72 per Share and not more than \$0.82 per Share (in increments of \$0.02 per Share within such range), or (ii) Purchase Price Tenders, in either case on the terms and subject to the conditions set forth in this Offer to Purchase, the Circular, and the related Letter of Transmittal and Notice of Guaranteed Delivery.

The Offer will commence on June 3, 2019 and expire at 5:00 p.m. (Eastern time) on July 12, 2019 (such time on such date, the “**Expiration Time**”), unless terminated, extended or varied by Input Capital. Subject to applicable law, the Corporation may, in its sole discretion, extend the period of time during which the Offer will remain open. In the event of an extension, the term “Expiration Time” will refer to the latest time and date at which the Offer, as so extended, will expire.

The Offer is not conditional upon any minimum number of Shares being tendered under the Offer the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer. The Offer is, however, subject to other conditions and Input Capital reserves the right, subject to applicable laws, to terminate the Offer and not take up and pay for any Shares tendered under the Offer if certain events occur. See “Offer to Purchase – Conditions of the Offer”.

Each Shareholder who has validly tendered Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender, and who has not properly withdrawn such Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for each Share purchased, on the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration described herein.

The Depositary will return all Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, promptly after the Expiration Time or termination of the Offer, or the date of withdrawal of the Shares, in any case without expense to the tendering Shareholder.

**The Offer is made only for Shares and not made for any Options.** Any holder of Options who wishes to accept the Offer should, to the extent permitted by the terms thereof, duly exercise such Options in order to tender the resulting Shares in accordance with the terms and conditions of the Offer. Any such exercise must occur sufficiently in advance of the Expiration Time to assure that holders of Options will have sufficient time to comply with the procedures for tendering Shares under the Offer as described under “Offer to Purchase – Procedures for Tendering Shares”. **An exercise of an Option cannot be revoked even if the Shares received upon exercise thereof and tendered in the Offer are not purchased in the Offer for any reason.** Holders of Options that exercise Options and then tender pursuant to the Offer the Shares received on such exercise could suffer adverse tax consequences. The tax consequences of such an exercise are not described under “Issuer Bid Circular – Income Tax Consequences”. Holders of Options are urged to seek tax advice from their own tax advisors in this regard.

Input Capital’s Board of Directors has approved the Offer and has authorized the delivery to Shareholders of the Offer. However, none of Input Capital, the Board of Directors, the Depositary or any of the experts named in the Offer makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer or as to the purchase price or purchase prices at which Shareholders may tender Shares under the Offer. Shareholders must make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender. The Corporation’s directors and officers have advised the Corporation that they do not intend to tender Shares pursuant to the Offer.

**Shareholders should carefully consider the income tax consequences of tendering Shares under the Offer. See “Issuer Bid Circular – Income Tax Consequences”.**

**The accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery contain important information and should be read carefully and in their entirety before making a decision with respect to the Offer.**

## **2. PURCHASE PRICE**

Promptly following the Expiration Time, upon the terms and subject to the conditions of the Offer, the Corporation will determine the Purchase Price, which will not be less than \$0.72 per Share and not more than \$0.82 per Share, that it will pay for Shares validly tendered pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. For the purpose of determining the Purchase Price, Shares tendered pursuant to a Purchase Price Tender will be considered to have been tendered at \$0.72 per Share (which is the minimum Purchase Price under the Offer). The Purchase Price will be the lowest price per Share that enables the Corporation to purchase the maximum number of Shares validly deposited and not properly withdrawn pursuant to the Offer having an aggregate purchase price not to exceed \$15,000,000. Shareholders are urged to obtain current market quotations for the Shares before deciding whether, and at price or prices, to tender Shares pursuant to the Offer.

If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. If the Purchase Price is determined to be \$0.72 per Share (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 20,833,333 Shares. If the Purchase Price is determined to be \$0.82 per Share (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 18,292,682 Shares. Shareholders who tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

All Shares purchased by the Corporation pursuant to the Offer (including Shares tendered at prices below the Purchase Price) will be purchased at the Purchase Price. The Corporation will return all Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, promptly after the Expiration Time or termination of the Offer, or the date of withdrawal of the Shares, in any case without expense to the tendering Shareholder. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any.

**Each Shareholder who has tendered Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.**

## **3. NUMBER OF SHARES AND PRO-RATION**

As of June 3, 2019, there were 82,021,960 Shares issued and outstanding. If the Purchase Price is determined to be \$0.72 per Share (being the minimum Purchase Price under the Offer), the Offer is for a maximum of 20,833,333 Shares, which represents approximately 25.4% of the total number of issued and outstanding Shares. If the Purchase Price is determined to be \$0.82 per Share (which is the maximum Purchase Price under the Offer), the Offer is for a maximum of 18,292,682 Shares, which represents approximately 22.3% of the total number of issued and outstanding Shares. The Offer is not conditional upon any minimum number of Shares being tendered under the Offer and the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer.

If the aggregate purchase price for the Successfully Tendered Shares would result in an aggregate purchase price in excess of \$15,000,000, then the Successfully Tendered Shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Odd Lot Holders at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a *pro rata* basis according to the number of Shares tendered or deemed to be tendered at a price equal to or less than the Purchase Price by the tendering Shareholders, less the number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes, if any. See “Offer to Purchase – Number of Shares and Pro-Ration”.

For purposes of the Offer, the term “**Odd Lots**” means all Successfully Tendered Shares tendered by or on behalf of the Successful Shareholders who individually beneficially own, as of the Expiration Time, an aggregate of fewer than 100 Shares (“**Odd Lot Holders**”). As set forth above, Odd Lots will be accepted for purchase before any pro-ration. In order to qualify for this preference, an Odd Lot Holder must validly tender, pursuant to an Auction Tender at a price at or below the

Purchase Price or pursuant to a Purchase Price Tender, all Shares beneficially owned by such Odd Lot Holder. Partial tenders will not qualify for this preference. This preference is not available to holders of 100 or more Shares even if holders have separate certificates for fewer than 100 Shares or hold fewer than 100 Shares in different accounts. Any Odd Lot Holder wishing to tender all Shares beneficially owned, without pro-ration, must check the appropriate box on the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery. Shareholders owning an aggregate of less than 100 Shares whose Shares are purchased pursuant to the Offer will avoid any Odd Lot discounts, which may be applicable on a sale of their Shares in a transaction on the TSXV.

#### 4. ANNOUNCEMENT OF RESULTS OF THE OFFER

The Corporation will publicly announce the results of the Offer, including the Purchase Price, the number of Shares validly tendered to the Offer and the aggregate purchase price of the Shares to be purchased for cancellation pursuant to the Offer, as promptly as practicable after the Expiration Time.

#### 5. PROCEDURES FOR TENDERING SHARES

##### *Valid Tender of Shares*

To tender Shares pursuant to the Offer, (i) the certificate(s) or DRS statement(s) for all tendered Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares (with signatures that are guaranteed if so required in accordance with the Letter of Transmittal), and any other documents required by the Letter of Transmittal, must be received by the Depository at one of the address listed in the Letter of Transmittal prior to the Expiration Time, (ii) the guaranteed delivery procedure described below must be followed, or (iii) such Shares must be transferred pursuant to the procedures for book-entry transfer described below (and a confirmation of such transfer must be received by the Depository, including a Book-Entry Confirmation (as defined below) if the tendering Shareholder has not delivered a Letter of Transmittal). The term “**Book-Entry Confirmation**” means a confirmation of a book-entry transfer of a Shareholder’s Shares into the Depository’s account at CDS.

In accordance with Instruction 4 – *Indication of Type of Tender* in the Letter of Transmittal or the Book-Entry Confirmation, each Shareholder desiring to tender Shares pursuant to the Offer should indicate, in Box A captioned “Type of Tender” on such Letter of Transmittal or, if applicable, the Notice of Guaranteed Delivery: (i) whether the Shareholder is tendering Shares pursuant to an Auction Tender or a Purchase Price Tender, and (ii) each Shareholder desiring to tender Shares pursuant to an Auction Tender must further indicate, in the appropriate box in such Letter of Transmittal or the Book-Entry Confirmation, the price per Share (in increments of \$0.02 per within such range) at which such Shares are being tendered. Under each of (i) and (ii) respectively, only one box may be checked. If a Shareholder desires to tender Shares in separate lots at a different price and/or different type of tender for each lot, such Shareholder must complete a separate Letter of Transmittal or Book-Entry Confirmation (and, if applicable, a Notice of Guaranteed Delivery) for each lot. The same Shares cannot be tendered (unless previously properly withdrawn) pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price. **Shareholders who validly tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.** In addition, Odd Lot Holders who tender all their Shares must check the appropriate box in the Letter of Transmittal in order to qualify for the preferential treatment available to Odd Lot Holders as set forth in “Offer to Purchase – Number of Shares and Pro-Ration”.

**If your Shares are held through a broker, dealer, commercial bank, trust company or other nominee, you must request that your broker, dealer, commercial bank, trust company or other nominee tender your Shares for you. If your Shares are so held, you should immediately contact such nominee in order to take the necessary steps to be able to tender such Shares under the Offer. In addition, it is likely that such broker, dealer, commercial bank, trust company or other nominee has an earlier deadline, for administrative reasons, for you to act to instruct such nominee to tender Shares on your behalf. We urge you to contact your broker, dealer, commercial bank, trust company or other nominee to confirm any earlier deadline.**

**Participants of CDS should contact such depository with respect to the tender of their Shares under the terms of the Offer.**

### ***Signature Guarantees***

No signature guarantee is required on the Letter of Transmittal if (i) the Letter of Transmittal is signed by the registered Shareholders exactly as the name of the registered Shareholder appears on the share certificate or DRS statement tendered therewith, and payment and delivery are to be made directly to such registered Shareholder, or (ii) Shares are tendered for the account of a Canadian Schedule I chartered bank, a commercial bank or trust company in the United States, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an “**Eligible Institution**”). In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 1 in the Letter of Transmittal.

If a certificate or DRS statement representing Shares is registered in the name of a person other than the signatory to a Letter of Transmittal, or if payment is to be made, or certificate(s) or DRS statement(s) representing Shares not purchased or tendered are to be issued, to a person other than the registered Shareholder, the certificate or DRS statement must be endorsed or accompanied by an appropriate power of attorney, in either case, signed exactly as the name of the registered Shareholder appears on the certificate or DRS statement with the signature on the certificate or DRS statement or stock power signature guaranteed by an Eligible Institution.

### ***Book-Entry Transfer Procedures – CDS***

An account with respect to the Shares will be established at CDS for purposes of the Offer. Any financial institution that is a participant in CDS may make book-entry delivery of the Shares through the CDS on-line tendering system pursuant to which book-entry transfers may be effected (“**CDSX**”) by causing CDS to transfer such Shares into the Depository’s account in accordance with the applicable CDS procedures for such transfer. Delivery of Shares to the Depository by means of book-entry through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depository at its Toronto, Ontario office address set forth on the back cover page of this Offer to Purchase and Circular prior to the Expiration Time. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry transfer of their holdings with CDS, shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and, therefore, such instructions received by the Depository are considered to be a valid tender in accordance with the terms of the Offer. **Delivery of documents to CDS does not constitute delivery to the Depository.**

### ***Method of Delivery***

**The method of delivery of all documents, including certificate(s) or DRS statement(s) representing Shares, is at the election and sole risk of the tendering Shareholder. Delivery is only effective upon receipt by the Depository. If delivery is by mail, registered mail that is properly insured is recommended, and it is suggested that the mailing be made sufficiently in advance of the Expiration Time to permit delivery to the Depository on or prior to such time.**

### ***Procedure for Guaranteed Delivery***

If a Shareholder wishes to tender Shares pursuant to the Offer and cannot deliver certificate(s) or DRS statement(s) for such Shares, or the book-entry transfer procedures described above cannot be completed, prior to the Expiration Time, or time will not permit all required documents to reach the Depository prior to the Expiration Time, such Shares may nevertheless be tendered if all of the following conditions are met:

- (a) such tender is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Corporation with this Offer to Purchase (indicating the type of tender and, in the case of an Auction Tender, the price at which Shares are being tendered), including (where required) a signature guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery, is received by the Depository at its Toronto, Ontario office address listed in the Notice of Guaranteed Delivery, by the Expiration Time; and

- (c) the certificate(s) or DRS statement(s) for all physically tendered Shares, as well as a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), or a Book-Entry Confirmation thereof in the case of a book-entry transfer, relating to such Shares, with signatures guaranteed, if so required, in accordance with the Letter of Transmittal, and all other documents required by the Letter of Transmittal, is received by the Depository at its Toronto, Ontario office address listed in the Notice of Guaranteed Delivery, before 5:00 p.m. (Eastern time) on or before the second trading day on the TSXV after the Expiration Time.

The Notice of Guaranteed Delivery may be hand delivered, couriered, or mailed or transmitted by email to one of the Depository's Toronto, Ontario office addresses listed in the Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery. For Shares validly tendered pursuant to the guaranteed delivery procedure, the Depository must receive the Notice of Guaranteed Delivery prior to the Expiration Time.

Notwithstanding any other provision hereof, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of (i) certificate(s) or DRS statement(s) for all Shares proposed to be taken up, or timely confirmation of the book-entry transfer of such Shares, (ii) a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, or a Book-Entry Confirmation, and (iii) any other documents required by the Letter of Transmittal.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently delivered.

#### ***Return of Unpurchased Shares***

Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificate(s) representing Shares all of which are not purchased), or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), promptly after the Expiration Time or termination of the Offer or the date of withdrawal of the Shares without expense to the tendering Shareholder. In the case of Shares tendered through book-entry transfer into the Depository's account at CDS, or through the DRS maintained by the Depository, the Shares will be credited to the appropriate account maintained by the tendering Shareholder at CDS without expense to the Shareholder.

#### ***Determination of Validity, Rejection; Notice of Defect***

All questions as to the number of Shares to be taken up, the price to be paid therefor, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by the Corporation, in its sole discretion, which determination shall be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. Input Capital reserves the absolute right to reject any tenders of Shares determined by it, in its sole discretion, not to be in proper form or not completed in accordance with the instructions set forth herein and in the Letter of Transmittal or the acceptance for payment of, or payment for, which may, in the opinion of the Corporation's counsel, be unlawful. Input Capital also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the tender of any particular Shares. No individual tender of Shares will be deemed to be validly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Corporation shall determine. The Corporation will not be liable for failure to waive any condition of the Offer or any defect or irregularity in any tender of Shares. **None of the Corporation, the Depository or any other person will be obligated to give notice of defects or irregularities in tenders, nor shall any of them incur any liability for failure to give any such notice.** The Corporation's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

Under no circumstances will interest accrue or be paid by the Corporation by reason of any delay in making payment to any person, including persons using the guaranteed delivery procedures. The amount paid for Shares tendered pursuant to the

guaranteed delivery procedures will be the same as that for Shares delivered to the Depository on or prior to the Expiration Time.

### ***Formation of Agreement***

A valid tender of Shares pursuant to any one of the procedures described above will constitute a binding agreement between the tendering Shareholder and the Corporation, effective as of the Expiration Time, upon the terms and conditions of the Offer.

### ***Lost or Destroyed Share Certificates***

If any certificate representing Shares has been lost or destroyed, the Shareholder should promptly notify the Depository at the phone number or at the address set forth on the back cover page of this Offer to Purchase and Circular. The Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed. Shareholders are requested to contact the Depository immediately in order to permit timely processing of this documentation.

### ***Further Assurances***

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Input Capital, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of any Shares proposed to be taken up by the Corporation. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

## **6. WITHDRAWAL RIGHTS**

Except as otherwise provided in this Section, tenders of Shares pursuant to the Offer will be irrevocable. Shares tendered pursuant to the Offer may be withdrawn by the Shareholder:

- (a) at any time prior to the Expiration Time;
- (b) at any time if the Shares have not been taken up by the Corporation before actual receipt by the Depository of a notice of withdrawal in respect of such Shares;
- (c) at any time if the Shares have been taken up but not been paid for by the Corporation within three business days of being taken up;
- (d) at any time before the expiration of 10 days from the date upon which either
  - (i) a notice of change relating to a change which has occurred in the information contained in this Offer to Purchase or the Circular, as amended from time to time, or in any notice of extension or variation, that would reasonably be expected to affect the decision of a Shareholder to accept or reject the Offer (other than a change that is not within the control of the Corporation or an affiliate of the Corporation), in the event that such change occurs before the Expiration Time or after the Expiration Time but before the expiry of all rights of withdrawal in respect of the Offer; or
  - (ii) a notice of variation concerning a variation in the terms of the Offer (other than a variation consisting solely of an increase in the consideration offered for the Shares where the Expiration Time is not extended for more than 10 days or a variation consisting solely of a waiver of a condition to the Offer) (see “Offer to Purchase – Extension and Variation of the Offer”),

is mailed, delivered or otherwise properly communicated (subject to abridgement of that period pursuant to such order or orders as may be granted by applicable courts, securities regulatory authorities or applicable stock exchanges, including the TSXV) and only if such tendered Shares have not been taken up by the Corporation at the date of the notice.

For a withdrawal to be effective, a written or printed copy of a notice of withdrawal must be actually received by the Depository prior to 5:00 p.m. (Eastern time) on the applicable date specified above at the place of tender of the relevant Shares. Any such notice of withdrawal must (i) be signed by or on behalf of the person who signed the Letter of Transmittal that accompanied the Shares being withdrawn or, in the case of Shares tendered by a CDS participant, be signed by such participant in the same manner as the participant's name as listed on the applicable Book-Entry Confirmation, or be accompanied by evidence sufficient to the Depository that the person withdrawing the tender has succeeded to the beneficial ownership of the Shares, and (ii) specify the name of the person who tendered the Shares to be withdrawn, the name of the registered holder (if different from that of the person who tendered such Shares) and the number of Shares to be withdrawn. If the certificate(s) for the Shares tendered pursuant to the Offer have been delivered or otherwise identified to the Depository, then, prior to the release of such certificate(s), the tendering Shareholder must submit the serial number(s) shown on the particular certificate(s) evidencing the Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution, except in the case of Shares tendered by an Eligible Institution. If Shares have been tendered pursuant to the procedure for book- entry transfer described under "Offer to Purchase – Procedures for Tendering Shares", the notice of withdrawal must also specify the name and number of the account at CDS, as applicable, to be credited with the withdrawn Shares, and must otherwise comply with CDS' procedures. If a Shareholder has used more than one Letter of Transmittal or has otherwise tendered more than one group of Shares, such Shareholder may withdraw Shares using either separate notices of withdrawal or a combined notice of withdrawal, so long as the information specified above is included. **A withdrawal of Shares tendered pursuant to the Offer can only be accomplished in accordance with the foregoing procedure. The withdrawal shall take effect only upon actual receipt by the Depository of a properly completed and executed notice of withdrawal in writing.**

**A Shareholder who wishes to withdraw Shares under the Offer and who holds Shares through a broker, dealer, commercial bank, trust company or other nominee should immediately contact such broker, dealer, commercial bank, trust company or other nominee in order to take the necessary steps to be able to withdraw such Shares under the Offer.** Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Shares that differ from those set out in this Offer to Purchase. We recommend that you contact any such nominee to find out its deadline.

**Participants of CDS should contact such depository with respect to the withdrawal of Shares under the Offer.**

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Corporation, in its sole discretion, which determination shall be final and binding, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law. None of the Corporation, the Depository nor any other person will be obligated to give notice of defects or irregularities in notices of withdrawal, nor shall any of them incur any liability for failure to give any such notice.

Any Shares properly withdrawn will thereafter be deemed not tendered for purposes of the Offer. However, withdrawn Shares may be re-tendered prior to the Expiration Time by again following the procedures described under "Offer to Purchase – Procedures for Tendering Shares".

If the Corporation extends the period of time during which the Offer is open, is delayed in its purchase of Shares or is unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to the Corporation's rights under the Offer, the Depository may, subject to applicable law, retain on behalf of the Corporation all tendered Shares, and such Shares may not be withdrawn except to the extent that tendering Shareholders are entitled to withdrawal rights as described herein.

## **7. CONDITIONS OF THE OFFER**

The Offer is not conditional upon any minimum number of Shares being tendered under the Offer and the Corporation will use available cash on hand to make full payment for the Shares it has offered to acquire under the Offer. Notwithstanding any other provision of the Offer, the Corporation shall not be required to accept for purchase, to purchase or, subject to any applicable rules or regulations, to pay for any Shares tendered, and may extend, vary or terminate the Offer or may, subject to any applicable rules and regulations, postpone the acceptance for purchase of, or payment for, Shares tendered, if, at any

time before the payment for any such Shares, any of the following events shall have occurred (or shall have been determined by the Corporation to have occurred) which, in the Corporation's sole judgment, acting reasonably, in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase or payment:

- (a) there shall have been threatened, taken or pending any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction: (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Shares by the Corporation or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) seeking material damages or that otherwise, in the sole judgment of the Corporation, acting reasonably, has or may have a material adverse effect on the business, income, assets, liabilities, condition or statement (financial or otherwise), properties, operations, results of operations or prospects of the Corporation or has impaired or may materially impair the contemplated benefits of the Offer to the Corporation or otherwise make it inadvisable to proceed with the Offer;
- (b) there shall have been any action or proceeding threatened, pending or taken or approval withheld or any statute, rule, regulation, stay, decree, judgment or order, or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or the Corporation or any of its subsidiaries by or before any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation shall become operative or applicable in any jurisdiction that, in the sole judgment of the Corporation, acting reasonably, might, directly or indirectly, result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or would or might prohibit, prevent, restrict or delay consummation of the Offer or impair the contemplated benefits of the Offer to the Corporation;
- (c) there shall have occurred: (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the U.S., (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the U.S. (whether or not mandatory), (iii) a natural disaster or the commencement or escalation of a war, armed hostilities, act of terrorism or other international or national calamity directly or indirectly involving Canada, the U.S. or any other region where the Corporation maintains significant business activities, (iv) any limitation (whether or not mandatory) by any government or governmental authority or regulatory or administrative agency or any other event that, in the sole judgment of the Corporation, acting reasonably, might affect the extension of credit by banks or other lending institutions, (v) any significant decrease, in the sole judgment of the Corporation, acting reasonably, in the market price of the Shares since the close of business on May 31, 2019 (including, without limitation, a decrease in excess of 10% of the market price of the Shares on the TSXV since the close of business on May 31, 2019), (vi) any material change in short term or long term interest rates; (vii) any change in the general political, market, economic or financial conditions that, in the sole judgment of the Corporation, acting reasonably, has or may have, individually or in the aggregate, a material adverse effect on the Corporation's business, operations or prospects or the trading in, or value of, the Shares, or (viii) any decline in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the S&P 500 Composite Index by an amount in excess of 10%, measured from the close of business on May 31, 2019, or (ix) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;
- (d) there shall have occurred any change or changes (or any development involving any prospective change or changes) in: (i) general political, market (including, but not limited to, any stock market or currency or foreign exchange market), economic, financial or industry conditions in Canada or the U.S., (ii) the business, earnings, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of the Corporation or any of its subsidiaries that, in each case in the sole judgment of the Corporation, acting reasonably, has or may have, individually or in the aggregate, a material adverse effect with respect to the Corporation and its subsidiaries taken as a whole, or (iii) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;

- (e) any take-over bid or tender or exchange offer with respect to some or all of the securities of the Corporation, or any merger, amalgamation, arrangement, business combination or acquisition proposal, disposition of assets outside of the ordinary course of business, or other similar transaction with or involving the Corporation or any of its affiliates, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;
- (f) Evans & Evans, Inc. will have withdrawn or amended the Liquidity Opinion;
- (g) the Corporation shall have concluded, in its sole judgment, acting reasonably, that the Offer or the take up and payment for any or all of the Shares by the Corporation is illegal or not in compliance with applicable law or stock exchange requirements, or that necessary exceptions under applicable securities legislation, including exemptions from obligations to take up Shares in the event that the Offer is extended in certain circumstances, are not available to the Corporation for the Offer and, if required under any such legislation, the Corporation shall not have received the necessary exemptions from or approvals or waivers of the appropriate courts or applicable securities regulatory authorities or stock exchange(s) in respect of the Offer;
- (h) any change shall have occurred or been proposed to the *Income Tax Act* (Canada) (“**Tax Act**”) or regulations thereunder, to the publicly available administrative policies or assessing practices of the Canada Revenue Agency (“**CRA**”) or to relevant jurisprudence, that, in the sole judgment of the Corporation, acting reasonably, is detrimental to the Corporation or its subsidiaries, taken as a whole, or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares tendered under the Offer;
- (i) any change shall have occurred or been proposed to the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), the Treasury Regulations promulgated thereunder, or publicly available administrative policies of the U.S. Internal Revenue Service, or the equivalent laws, regulations and policies of another jurisdiction where one or more Shareholders are resident, that, in the sole judgment of the Corporation, acting reasonably, is detrimental to the Corporation or its subsidiaries, taken as a whole, or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares tendered under the Offer;
- (j) completion of the Offer subjects the Corporation to any material tax liability, including tax liability under Part VI.1 of the Tax Act;
- (k) completion of the Offer and the purchase of the Shares may cause the Shares to be delisted from the TSXV; or
- (l) no Auction Tenders or Purchase Price Tenders have been made pursuant to the Offer.

The foregoing conditions are for the sole benefit of the Corporation and may be asserted by the Corporation, in its sole discretion, acting reasonably, regardless of the circumstances (including any action or inaction by the Corporation) giving rise to any such condition, or may be waived by the Corporation, in its sole discretion, in whole or in part, at any time at or prior to the expiration of the Offer (other than those involving the receipt of any requisite government approvals), provided that any condition waived in whole or in part will be waived with respect to all Shares tendered. The failure by the Corporation at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to the particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time at or prior to the expiration of the Offer (other than those involving the receipt of any requisite government approvals). For the avoidance of doubt, the foregoing conditions (other than those involving the receipt of any requisite government approvals) must be satisfied or waived at or prior to the expiration of the Offer. Any determination by the Corporation concerning the events described in this Section shall be final and binding on all parties, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.

Any waiver of a condition or the termination of the Offer by the Corporation shall be deemed to be effective on the date on which notice of such waiver or termination by the Corporation is delivered or otherwise communicated to the Depository.

The Corporation, after giving notice to the Depositary of any waiver of a condition or the termination of the Offer, shall immediately make a public announcement of such waiver or termination and provide or cause to be provided, to the extent required by law, notice of such waiver or termination to the TSXV and the applicable Canadian securities regulatory authorities. If the Offer is terminated, the Corporation shall not be obligated to take up, accept for purchase or pay for any Shares tendered under the Offer, and the Depositary will return all tendered Shares, Letters of Transmittal and Notices of Guaranteed Delivery and any related documents to the parties by whom they were tendered.

## **8. EXTENSION AND VARIATION OF THE OFFER**

Subject to applicable law, the Corporation expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified herein shall have occurred, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer, by giving written notice, of extension or variation to the Depositary and by causing the Depositary to provide to all Shareholders, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth under “Offer to Purchase – Notice”. Promptly after giving notice of an extension or variation to the Depositary, but, in the case of an extension, no later than 9:00 a.m. (Eastern time), on the next business day following the last previously scheduled or announced Expiration Time, the Corporation will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSXV and the applicable Canadian securities regulatory authorities. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of the waiver of a condition of the Offer), the period during which Shares may be deposited pursuant to the Offer shall not expire before 10 days (except for any variation increasing or decreasing the percentage of Shares to be purchased, the consideration provided for under the Offer, in which case the Offer shall not expire before ten business days) after the notice of variation has been given to Shareholders, unless otherwise permitted by applicable law. During any such extension or in the event of any variation, all Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Corporation in accordance with the terms of the Offer, subject to “Offer to Purchase – Withdrawal Rights”. An extension of the Expiration Time or a variation of the Offer does not constitute a waiver by the Corporation of its rights under “Offer to Purchase – Conditions of the Offer”.

If the Corporation makes a material change to the terms of the Offer or the information concerning the Offer, the Corporation will extend the time during which the Offer is open to the extent required under applicable securities legislation.

The Corporation also expressly reserves the right, in its sole discretion, (i) to terminate the Offer and not take up and pay for any Shares not theretofore taken up and paid for if certain events occur as described under “Offer to Purchase – Conditions of the Offer”, and/or (ii) at any time or from time to time, to vary the Offer in any respect, including increasing or decreasing the aggregate purchase price for Shares that the Corporation may purchase or the range of prices it may pay pursuant to the Offer, subject to compliance with applicable securities legislation.

Any such extension, variation or termination will be followed promptly as practicable by a public announcement and by the filing and mailing of a notice of variation or extension, if applicable. Without limiting the manner in which the Corporation may choose to make any public announcement, except as provided by applicable law, the Corporation shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through a widely circulated news wire service.

## **9. TAKING UP AND PAYMENT FOR TENDERED SHARES**

Upon the terms and provisions of the Offer (including pro-ration) and subject to and in accordance with applicable securities laws, the Corporation will take up and pay for Shares validly tendered and not properly withdrawn under the Offer, in accordance with the terms thereof, promptly after the Expiration Time, but in any event not later than 10 days after the Expiration Time, provided that the conditions of the Offer (as the same may be varied) have been satisfied or waived on or prior to the Expiration Time. Any Shares taken up will be paid for as soon as practicable but in any event no later than three business days after they are taken up in accordance with applicable securities laws. The Corporation will acquire Shares to be purchased pursuant to the Offer and title thereto under this Offer to Purchase effective from the time the Corporation takes up and pays for such Shares.

For the purpose of the Offer, the Corporation will be deemed to have taken up and accepted for payment Successfully Tendered Shares having an aggregate purchase price not exceeding \$15,000,000 if, as and when the Corporation gives written notice to the Depository to that effect.

The Corporation reserves the right, in its sole discretion, subject to applicable securities laws, to delay taking up or paying for Shares or to terminate the Offer and not take up or pay for any Shares upon the occurrence of any of the events specified under “Offer to Purchase – Conditions of the Offer” on or prior to the Expiration Time, by giving written notice thereof to the Depository. The Corporation also reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Shares in order to comply, in whole or in part, with any applicable law.

In the event of pro-ration of Shares tendered pursuant to the Offer, the Corporation will determine the pro-ration factor and pay for those tendered Shares accepted for payment promptly after the Expiration Time. **However, the Corporation does not expect to be able to announce the final results of any such pro-ration until approximately three business days after the Expiration Time.**

Shares not purchased under the Offer (including Shares tendered pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of pro-ration, invalid tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificate(s) representing Shares all of which are not purchased) or replaced with new certificate(s) representing the balance of Shares not purchased (in the case of certificate(s) representing Shares of which less than all are purchased), or in the case of Shares tendered by book-entry transfer, or through the DRS maintained by the Depository credited to the account maintained with CDS by the participant who delivered the Shares, promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Shares, in any case without expense to the Shareholder

The Corporation will pay for Shares taken up under the Offer by providing the Depository with sufficient funds (by bank transfer or other means satisfactory to the Depository) for transmittal to tendering Shareholders. Under no circumstances will interest accrue or be paid by the Corporation or the Depository on the Purchase Price of the Shares purchased by the Corporation, regardless of any delay in making such payment or otherwise.

Tendering Shareholders will not be obligated to pay brokerage fees or commissions to the Corporation or the Depository. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their brokers or other intermediaries in connection with a tender of Shares pursuant to the Offer.

The Depository will act as agent of persons who have validly tendered Shares in acceptance of the Offer and have not properly withdrawn them, for the purposes of receiving payment from the Corporation and transmitting payment to such persons. **Receipt by the Depository from the Corporation of payment for such Shares will be deemed to constitute receipt of payment by persons tendering Shares.** The Depository will also coordinate with CDS with respect to Shareholders who have tendered Shares by way of book-entry transfer which are taken up and accepted by the Corporation, to arrange for payment to be made to such Shareholders in accordance with the settlement procedures of CDS.

The settlement with each Shareholder who has tendered Shares under the Offer will be effected by the Depository by forwarding a cheque, representing the cash payment (less applicable withholding taxes, if any) for such Shareholder’s Shares taken up under the Offer. The cheque will be issued in the name of the person as specified by properly completing the appropriate box in the Letter of Transmittal. Unless the tendering Shareholder instructs the Depository to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, the cheque will be forwarded by prepaid first class mail to the payee at the address specified in the Letter of Transmittal. If no such address is specified, the cheque will be sent to the address of the tendering Shareholder as it appears in the registers maintained in respect of the Shares. Cheques, mailed in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

**Each Shareholder who has tendered Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.**

Successfully Tendered Shares taken up and paid for by the Corporation will immediately be cancelled by the Corporation.

## **10. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION**

Notwithstanding the provisions of the Offer, cheques in payment for Shares purchased under the Offer and certificate(s) for any Shares to be returned will not be mailed if the Corporation determines that delivery by mail may be delayed. Persons entitled to cheques or certificate(s) that are not mailed for this reason may take delivery at the office of the Depositary at which the tendered certificate(s) for the Shares were delivered until the Corporation has determined that delivery by mail will no longer be delayed. Input Capital will provide notice, in accordance with this Offer to Purchase, of any determination under this Section not to mail as soon as reasonably practicable after such determination is made.

## **11. LIENS AND DIVIDENDS**

Shares acquired pursuant to the Offer shall be acquired by the Corporation free and clear of all hypothecs, liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions that may be paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record on or prior to the date upon which the Shares are taken up and paid for under the Offer shall be for the account of such Shareholders. Each Shareholder of record on that date will be entitled to receive that dividend or distribution, whether or not such Shareholder tenders Shares pursuant to the Offer.

A tender of Shares made pursuant to any method of delivery set forth herein will also constitute a representation and warranty to us that the tendering Shareholder has full power and authority to tender, sell, assign and transfer the tendered Shares and any and all dividends, distributions, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of the tendered Shares with a record date on or after the date that Input Capital takes up and accepts for purchase the tendered Shares and that, if the tendered Shares are taken up and accepted for purchase by Input Capital, Input Capital will acquire good and marketable title thereto, free and clear of all liens, charges, claims, encumbrances, security interests, restrictions and equities whatsoever, together with all rights and benefits arising therefrom. Any such tendering Shareholder will, on request by the Depositary or us, execute and deliver any additional documents deemed by the Depositary or us to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered, all in accordance with the terms of the Offer.

All authority conferred or agreed to be conferred by delivery of the Letter of Transmittal shall be binding on the successors, assigns, heirs, personal representatives, executors, administrators and other legal representatives of the tendering Shareholder and shall not be affected by, and shall survive, the death or incapacity of such tendering Shareholder.

## **12. NOTICE**

Without limiting any other lawful means of giving notice, any notice to be given by the Corporation or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the registered Shareholders at their respective addresses as shown on the share registers maintained in respect of the Shares and will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite (i) any accidental omission to give notice to any one or more Shareholders, and (ii) an interruption of mail service following mailing. In the event of an interruption of mail service following mailing, the Corporation will use reasonable efforts to disseminate the notice by other means, such as publication. If post offices are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which the Corporation or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if it is issued by way of a news release and if it is published once in the *National Post* or *The Globe and Mail*, and in a French language daily newspaper of general circulation in the Province of Québec.

## **13. OTHER TERMS**

- (a) No broker, dealer or other person has been authorized to give any information or to make any representation on behalf of the Corporation, the Board of Directors, the Depositary or experts named in the Offer other than as contained in the Offer, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Corporation, the Board of Directors, the Depositary or experts named in the Offer.

- (b) The Offer and all contracts resulting from the acceptance thereof shall be governed by and construed in accordance with the laws of the Province of Saskatchewan and the federal laws of Canada applicable therein.
- (c) Input Capital, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer and the validity of any withdrawals of Shares, except as otherwise finally determined in a subsequent judicial proceeding in a court of competent jurisdiction or as required by law.
- (d) The Offer is not being made to, and tenders will not be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance would not be in compliance with the laws of such jurisdiction. However, Input Capital may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.

**Neither Input Capital nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares. Shareholders are urged to consult their own financial, legal, investment and tax advisors and make their own decision whether to tender Shares to the Offer and, if so, how many Shares to tender, and at what price or prices.**

**The accompanying Circular, together with this Offer to Purchase, constitutes the issuer bid circular required under Canadian securities legislation with respect to the Offer. The accompanying Circular contains additional information relating to the Offer.**

**DATED** this 3<sup>rd</sup> day of June, 2019.

**INPUT CAPITAL CORP.**

*(Signed) "Doug Emsley"*  
Chairman, President and Chief Executive Officer

## ISSUER BID CIRCULAR

This Circular is being furnished in connection with the Offer by Input Capital to purchase for not more than \$15,000,000 in value of its Shares at a Purchase Price of not less than \$0.72 per Share and not more than \$0.82 per Share. Terms defined in the Offer to Purchase and not otherwise defined herein have the same meaning in this Circular. The terms and conditions of the Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of the terms and conditions of the Offer.

### 1. INPUT CAPITAL CORP.

The Corporation was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on February 13, 2012, under the name “WB II Acquisition Corp.”. The Corporation completed its initial public offering on April 24, 2012, and was listed on TSXV as a capital pool Corporation until it completed its qualifying transaction on July 19, 2013 (the “**Qualifying Transaction**”). The Qualifying Transaction proceeded by way of a “three-cornered” amalgamation (the “**Amalgamation**”) among the Corporation, Input Capital Corp., then a private Saskatchewan corporation (“**Input Private Co.**”), and 101235315 Saskatchewan Ltd., which resulted in a reverse takeover of the Corporation by Input Private Co. The reverse takeover completed the Corporation’s Qualifying Transaction in accordance with the rules and policies of the TSXV. On August 8, 2013, the Corporation was continued under *The Business Corporations Act* (Saskatchewan) and the Information Services Corporation of Saskatchewan issued a Certificate of Continuance giving effect to such continuation, as well as a Certificate of Amalgamation giving effect to the vertical short-form amalgamation of the Corporation. Input Capital’s head office is located at 300 - 1914 Hamilton Street, Regina, Saskatchewan, S4P 3N6. Input’s registered and records office is located at 800 - 1801 Hamilton Street, Regina, Saskatchewan, S4P 4B4.

To the knowledge of Input’s management, Input is the world’s first agricultural commodity streaming company.

Input has three products: (1) capital stream contracts (“**Capital Stream Contracts**”, or “**Capital Streams**”), (2) marketing stream contracts (“**Marketing Stream Contracts**”, or “**Marketing Streams**”) and (3) mortgage stream contracts (“**Mortgage Stream Contracts**”, or “**Mortgage Streams**”). Capital Streams are designed to assist farmers with working capital, Marketing Streams are designed to assist farmers with maximizing the sale price of their canola and Mortgage Streams are designed to assist farmers with land financing requirements. In this Circular, Capital Streams, Marketing Streams and Mortgage Streams are collectively referred to as “**Streaming Contracts**”, or “**Streams**”.

### Principal Products

#### *Capital Stream Contracts*

A Capital Stream Contract is a multi-year pre-purchase contract between Input and a farmer whereby Input commits to buy a specified annual volume of Canada 1 Canola each year over the life of the contract. Upon making this commitment, Input Capital places a deposit with the farmer. In turn, the farmer is able to use this deposit as an addition to working capital, which enables them to optimize their farming practices and improve their balance sheets by paying down debt or payables.

When the farmer makes a delivery of canola to Input Capital, Input Capital pays the balance of the agreed upon purchase price to the farmer. As a result, the farmer is guaranteed a minimum price for the canola sold to Input Capital, with Input Capital taking on the canola commodity price risk. In some circumstances, Input Capital and the farmer split canola proceeds above a pre-determined price, offering the farmer the opportunity to participate in canola price upside along with Input Capital.

#### *Marketing Stream Contracts*

A Marketing Stream Contract is a multi-year pre-purchase contract between Input Capital and a farmer whereby Input Capital commits to buy a specified annual volume of Canada 1 Canola each year over the life of the contract. Upon making this commitment, Input Capital may place a small deposit with the farmer. However, in the case of most Marketing Streams in which a deposit is made, the deposit is small in size and tends not have a material impact on the farmer’s working capital. Most Marketing Streams are entered into as an add-on to a Mortgage Stream to assist the farmer in making improvements to his/her crop marketing program while improving logistics management for Input Capital.

Farmers enter into Marketing Streams to take advantage of Input Capital’s canola marketing program, which has

historically sold canola at stronger prices than many farmers have been achieving on their own. The crop payment paid to farmers on delivery of the canola is calculated as a percentage of Input Capital's final canola selling price, net of trucking costs. As a result, farmers and Input Capital share the canola commodity price risk over the life of the contract. An additional benefit to farmers is that Input Capital organizes all of the trucking and logistics for the canola deliveries, saving the farmer from having to do this on their own and with their own equipment.

### ***Mortgage Stream Contracts***

A Mortgage Stream Contract is a combination of an ordinary conventional farmland mortgage with a series of fixed price grain delivery contracts. This combination allows farmers to pay the interest payments associated with the conventional mortgage using physical canola rather than cash. In addition, Input Capital handles all of the canola delivery logistics, picking the canola up from the farm and delivering it to canola buyers.

The Mortgage Stream allows a farmer to get mortgage financing for new land acquisitions, or refinance existing land while hedging the price of canola for the duration of the mortgage term. This mortgage feature is unique in the industry.

Input Capital generates revenue and cash flow through the sale of canola received via all types of Streaming Contracts to well-established grain handling companies and canola crushing plants located across Alberta, Saskatchewan and Manitoba as well as Montana and North Dakota. The canola sold is received through Streaming Contracts entered into between Input Capital and farmers located in Alberta, Saskatchewan and Manitoba. The volume of canola deliverable pursuant to a Streaming Contracts is the number of tonnes agreed to between the farmer and Input Capital and is calculated by Input Capital to generate an acceptable rate of return for Input Capital over the term of the Streaming Contract. Generally, Input Capital organizes its own transportation in order to pick the canola up from the farmer's base of operations.

Upon delivery of the canola, the grain handling company or canola crushing plant purchases the canola delivered in Input Capital's name from Input Capital at a pre-determined contracted price or at the then current market price. Input Capital profits where the contracted or market prices are in excess of the total consideration paid under the Streaming Contracts to the farm operators.

As previously announced on May 14, 2019, the Board of Directors undertook a thorough and comprehensive review, in consultation with management and financial advisors, and in the context of current market opportunities and trade disruptions. The Board of Directors concluded that options for cost effective scalable funding of the Corporation's mortgage stream business are not competitively available in the marketplace at this time. As a result, the Board of Directors has taken the decision to postpone further capital deployment operations in favour of maximizing shareholder value from the Corporation's existing book of business with our existing farm clients. The Board has directed management to concentrate efforts on the profitable operation of the existing book of Streaming Contracts with the objective of maximizing book value per share and returning capital to shareholders.

## **2. AUTHORIZED CAPITAL**

The authorized capital of Input Capital consists of an unlimited number of Shares. As at June 3, 2019, there were 82,021,960 Shares issued and outstanding.

## **3. PURPOSE AND EFFECT OF THE OFFER**

Input Capital's Board of Directors believes that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, its cash requirements and borrowing costs. In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation's business and therefore, the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders.

The Board of Directors has taken the decision to postpone further capital deployment operations in favour of maximizing shareholder value from the Corporation's existing book of business with our existing farm clients. The Board of Directors has directed management to concentrate efforts on the profitable operation of the existing book of Streaming Contracts with the objective of maximizing book value per share.

In addition, Input Capital's Board of Directors believes that the "modified Dutch auction" tender offer set forth in the Offer to Purchase and this Circular represents an efficient mechanism to provide Shareholders with the opportunity to tender all or

a portion of their Shares and, thereby, receive a return of some or all of their investment if they so elect. The Corporation believes that the Offer provides Shareholders with an opportunity to obtain liquidity with respect to all or a portion of their Shares without potential disruption to the Share price. In addition, if Input Capital completes the Offer, Shareholders who do not participate in the Offer, or otherwise retain an equity interest in the Corporation, will automatically increase their relative percentage ownership interest in the Corporation.

The Offer also provides Shareholders with an efficient way to sell their Shares without incurring broker's fees or commissions associated with open market sales. However, Shareholders who hold Shares through brokers, dealers, commercial banks, trust companies or other nominees are urged to consult their brokers, dealers, commercial banks, trust companies or other nominees to determine whether transaction costs may apply if Shareholders tender Shares through the brokers, dealers, commercial banks, trust companies or other nominee and not directly to the Depositary. Furthermore, Odd Lot holders who hold Shares registered in their names and tender their Shares directly to the Depositary and whose Shares are purchased in the Offer will avoid any applicable Odd Lot discounts that might otherwise be payable on sales of their Shares. Shares acquired by the Corporation pursuant to the Offer will be cancelled.

As at June 3, 2019, 82,021,960 Shares were issued and outstanding. The Offer is for a maximum of approximately 25.4% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.72 per Share (being the minimum Purchase Price under the Offer) and a maximum of approximately 22.3% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$0.82 per Share (being the maximum Purchase Price under the Offer).

### ***Background to the Offer***

Input Capital's Board of Directors believes that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, its cash requirements and borrowing costs. In the view of management, the recent trading price of the Shares is not fully reflective of the value of the Corporation's business and therefore, the purchase of Shares under the Offer represents an attractive investment and an equitable and efficient means of providing value to its Shareholders, while maintaining the Corporation's ability to pursue its existing book of business platforms with our existing farm clients. Additionally, the Board of Directors has taken the decision to postpone further capital deployment operations in favour of maximizing shareholder value from the Corporation's existing book of business with our existing farm clients. The Board of Directors has directed management to concentrate efforts on the profitable operation of the existing book of Streaming Contracts with the objective of maximizing book value per share.

For the reasons described above and for the reasons set out below, the Board of Directors determined that it would be in the best interests of the Corporation to proceed with an issuer bid. The Offer was approved by the Board of Directors on June 3, 2019. In considering whether the Offer would be in the best interest of the Corporation, the Board of Directors gave careful consideration to a number of factors, including, without limitation, the following:

- (a) its belief that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, and its cash requirements and borrowing costs;
- (b) after giving effect to the Offer, the Corporation will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations;
- (c) the Offer is not expected to preclude the Corporation from pursuing its foreseeable business, strategic opportunities or the continued operation of the Corporation's business;
- (d) the Offer provides Shareholders with an opportunity to realize on all or a portion of their investment in the Corporation, should they desire liquidity, in quantities which might not otherwise be available in the market and without incurring brokerage commissions which might otherwise be payable on a sale of their Shares in a transaction on the TSXV;
- (e) tendering Shares under the Offer is optional and available to all Shareholders and, therefore, each Shareholder is free to accept or reject the Offer;
- (f) Shareholders wishing to tender Shares may do so pursuant to Auction Tenders or Purchase Price Tenders;

- (g) the Offer is not conditional upon any minimum number of Shares being tendered under the Offer and the Corporation has cash on hand to make full payment for the Shares it has offered to acquire under the Offer;
- (h) Shareholders who do not tender their Shares to the Offer, or who otherwise retain an equity interest in the Corporation, will realize a proportionate increase in their equity interest in the Corporation to the extent Shares are purchased by the Corporation pursuant to the Offer;
- (i) the advice of Evans & Evans, Inc. with respect to the purchase price range of the Offer as well as the Liquidity Opinion; and
- (j) that there is a liquid market for the Shares as of the date hereof and that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

The foregoing summary of the factors considered by the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its determination to proceed with the Offer, the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion.

**The Board of Directors, after careful consideration of the above mentioned reasons, determined that the Offer is in the best interests of the Corporation and its Shareholders and authorized the making of the Offer, the pricing of the Offer and the forms of the Offer to Purchase and Circular and related documents on June 3, 2019.**

Notwithstanding the foregoing considerations, before making any decision to tender or not tender Shares to the Offer, Shareholders should carefully consider the risks associated with the Corporation's business, including the risks described under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended September 30, 2018 as filed on SEDAR and under the heading "Risk Management" in the Corporation's Management Discussion and Analysis for the year ended September 30, 2018 as filed on SEDAR.

**None of Input Capital, the Board of Directors, the Depositary or any expert named herein makes any recommendation to any Shareholder as to whether to tender or refrain from tendering Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions as to whether to tender Shares under the Offer, and, if so, how many Shares to tender and the price or prices at which to tender.**

Canadian securities laws prohibit the Corporation and its affiliates from acquiring or offering to acquire beneficial ownership of any Shares, other than pursuant to the Offer, until at least 20 business days after the Expiration Time or termination of the Offer, except, in the case of acquisitions during the period following the Expiration Time, pursuant to certain acquisitions effected in the normal course on a published market or as otherwise permitted by applicable law.

Accordingly, neither Input Capital, nor a designated broker acting on its behalf, has purchased or will purchase Shares pursuant to the 2018 NCIB or otherwise from the time the Offer was publicly announced on June 3, 2019 until its expiration. Input Capital may in the future, subject to applicable law, purchase additional Shares on the open market, in private transactions, through normal course issuer bids, other issuer bids or otherwise. Any such purchases may be on the same terms or on terms which are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by the Corporation will depend on many factors, including the market price of the Shares, the Corporation's business and financial position, the results of the Offer and general economic and market conditions.

Except as disclosed herein, neither the Corporation, nor to the Corporation's knowledge, any of its officers or directors has current plans or proposals which relate to, or would result in (i) any extraordinary transaction involving the Corporation, such as a merger, a reorganization, the sale or transfer of a material amount of its assets or the assets of any of its subsidiaries; (ii) any material change in its present Board of Directors or management; (iii) any material change in its indebtedness or capitalization; (iv) any other material change in its business or corporate structure; (v) any material change in its constating documents; (vi) or any actions similar to any of the foregoing.

Shareholders who do not tender their Shares to the Offer or whose Shares are not accepted because their tenders were at a price above the Purchase Price or due to the preferential acceptance of Odd Lots or pro-ration should be aware that while remaining Shareholders will have a proportionately increased equity interest in the Corporation, the amounts available for future returns of capital to Shareholders, if any, on a per Share basis may be less than the Purchase Price under the Offer.

### ***Liquidity of Market***

As at June 3, 2019, there were 82,021,960 Shares issued and outstanding, of which 63,977,847 Shares comprise the public float, which excludes Shares beneficially owned, or over which control or direction is exercised, by “related parties” of the Corporation and Shares that are not “freely tradeable” (each as defined in MI 61-101) (the “**public float**”). The maximum number of Shares that the Corporation is offering to purchase pursuant to the Offer, if the Purchase Price is determined to be \$0.72 per Share (which is the minimum Purchase Price under the Offer), is 20,833,333 Shares, which represents approximately 25.4% of the Shares outstanding. If the Corporation purchases such maximum number of Shares, there will be approximately 61,188,627 Shares outstanding. In addition, if the Corporation purchases 20,833,333 Shares pursuant to the Offer and none of the “related parties” of the Corporation deposit their Shares pursuant to the Offer, the “public float” will comprise approximately 43,144,514 Shares. If the Purchase Price is determined to be \$0.82 per Share (which is the maximum Purchase Price under the Offer), the maximum number of Shares that the Corporation is offering to purchase pursuant to the Offer is 18,292,682 Shares, which represents approximately 22.3% of the Shares outstanding. If the Corporation purchases such maximum number of Shares, there will be approximately 63,729,278 Shares outstanding. In addition, if the Corporation purchases 18,292,682 Shares pursuant to the Offer and none of the “related parties” of the Corporation deposit their Shares pursuant to the Offer, the “public float” will comprise approximately 45,685,165 Shares.

Input Capital is relying on the “liquid market exemption” in MI 61-101 from the requirement to obtain a formal valuation applicable to the Offer. Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer.

To avail itself of the “liquid market exemption”, the Corporation has obtained the Liquidity Opinion stating that, based upon and subject to the qualifications, assumptions and limitations contained therein and such other matters as Evans & Evans, Inc. considered relevant, it is Evans & Evans, Inc.’s opinion as of June 3, 2019 that: (a) a liquid market exists for the Shares as of June 3, 2019; and (b) it is reasonable to conclude that, on completion of the Offer in accordance with its terms, there will be a market for the holders of Shares who do not tender their Shares to the Offer that is not materially less liquid than the market that existed as of June 3, 2019.

Accordingly, the Corporation is exempted from the valuation requirements of the securities regulatory authorities in Canada applicable to issuer bids generally in connection with the Offer.

The full text of the Liquidity Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Liquidity Opinion, is attached as Schedule A to this Circular. The summary of the Liquidity Opinion in this Circular is qualified in its entirety by reference to the full text of the Liquidity Opinion. The Liquidity Opinion is not a recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares. The Liquidity Opinion is one of a number of factors taken into consideration by the Board of Directors in determining that there is and will continue to be a liquid market for the Shares. The Board of Directors urges Shareholders to read the Liquidity Opinion in its entirety. See Schedule A to this Circular.

### ***Additional Securities Law Considerations***

Input Capital is a reporting issuer (or the equivalent thereof) in each of the provinces of Canada, and the Shares are listed on the TSXV. Input Capital believes that the purchase of Shares pursuant to the Offer will not result in: (i) Input Capital ceasing to be a reporting issuer in any jurisdiction in Canada, or (ii) the Shares being delisted from the TSXV.

## **4. WITHDRAWAL RIGHTS**

The withdrawal rights of Shareholders are described under “Offer to Purchase – Withdrawal Rights” and are incorporated into and form part of this Circular.

## **5. FINANCIAL STATEMENTS**

The audited annual financial statements of Input Capital for the fiscal year ended September 30, 2018 and the unaudited

interim condensed consolidated financial statements of Input Capital as at and for the three month period ended December 31, 2018 and six month period ended March 31, 2019 may be found on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Corporation's website at <http://inputcapital.com>. Shareholders may obtain copies of the most recent financial statements free of charge upon request to the Executive Vice President, and Chief Financial Officer of Input Capital at [brad@inputcapital.com](mailto:brad@inputcapital.com), Telephone 1-844-715-7355.

## 6. PRICE RANGE AND TRADING VOLUME OF THE SHARES

The outstanding Shares are listed on the TSXV under the trading symbol 'INP'. The following table sets forth the price range, calculated using intraday high and low prices, and trading volume of the Shares as reported by the TSXV, being the market on which the Shares are principally traded, for the six-month period preceding the date hereof:

<b>Period</b>	<b>High Price (\$)</b>	<b>Low Price (\$)</b>	<b>Volume</b>
December 2018	\$0.90	\$0.73	1,445,859
January 2019	\$1.20	\$0.82	763,729
February 2019	\$1.05	\$0.88	388,074
March 2019	\$1.04	\$0.81	1,167,581
April 2019	\$0.88	\$0.70	685,229
May 2019	\$0.80	\$0.57	1,207,397

(Source: TMX Datalinx)

On May 31, 2019, the last full trading day prior to the public announcement of Input Capital of its intention to make the Offer, the closing price of the Shares on the TSXV was \$0.72 per Share

Shareholders are urged to obtain current market quotations for the Shares.

## 7. DIVIDEND POLICY

Subject to the solvency restrictions in *The Business Corporations Act* (Saskatchewan), there are no restrictions in the Corporation's articles that would prevent it from paying dividends or distributions on the Shares. The declaration and payment of dividends is at the sole discretion of the Board of Directors and may vary depending on a variety of factors and conditions. The Board of Directors reviews the Corporation's dividend policy periodically in the context of the Corporation's earnings, financial condition and other relevant factors.

Since December 6, 2016 (the date when the Board of Director's adopted a dividend policy), the following cash dividends were declared and paid to Shareholders:

<b>Record Date</b>	<b>Amount Per Share</b>
December 31, 2016	\$0.01
March 31, 2017	\$0.01
June 30, 2017	\$0.01
September 30, 2017	\$0.01
December 31, 2017	\$0.01
March 31, 2018	\$0.01
June 30, 2018	\$0.01
September 30, 2018	\$0.01
December 31, 2018	\$0.01
March 31, 2019	\$0.01

## 8. PREVIOUS PURCHASES AND SALES

Except for the purchases of Shares described below, and excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights, no securities of the Corporation have been purchased or sold by the Corporation during the 12 months preceding the date of the Offer.

On December 6, 2017, Input Capital commenced the normal course issuer bid announced on December 14, 2017 (the

“2017 NCIB”), which allowed the Corporation to repurchase, at its discretion, until the earlier of December 13, 2018 or the completion of purchases thereunder, up to 6,578,683 Shares in the open market or as otherwise permitted. Pursuant to the 2017 NCIB, the Corporation purchased a total of 1,807,900 Shares at a volume-weighted average price of \$1.197 per Share.

On December 14, 2018, Input Capital commenced normal course issuer bid (the “2018 NCIB”), which allows the Corporation to repurchase, at its discretion, until the earlier of December 17, 2019 or the completion of purchases thereunder, up to 6,500,856 Shares in the open market or as otherwise permitted. Since the commencement of the 2018 NCIB, the Corporation purchased 1,072,500 Shares at a volume-weighted average price of \$0.839 per Share under the 2018 NCIB.

## 9. OWNERSHIP OF SECURITIES OF THE CORPORATION

To the knowledge of the Corporation, after reasonable inquiry, the following table indicates, as at June 3, 2019, the number of securities of the Corporation beneficially owned or over which control or direction is exercised, by each director and officer of the Corporation and, after reasonable inquiry, by each insider of the Corporation (other than directors and executive officers) and their respective associates and affiliates, and each associate or affiliate of the Corporation or person or company acting jointly or in concert with the Corporation in connection with the Offer (collectively, the “Disclosable Persons”), as well as the percentage of outstanding Shares so owned.

Name	Relationship with Input Capital	# of Shares/% of Outstanding Shares	# of Options/% of Outstanding Options	# of Deferred Share Units/% of Outstanding Deferred Share Units
David Brown	Director	170,000 0.2%	nil 0.0%	287,487 29.0%
David Laidley	Director	320,526 0.4%	nil 0.0%	287,487 29.0%
Lorne Hepworth	Director	142,630 0.2%	nil 0.0%	258,000 26.0%
John Budreski	Director	50,000 0.1%	105,218 2.2%	159,396 16.1%
Doug Emsley	Chairman, President & CEO	11,650,481 14.2%	1,142,000 23.6%	nil 0.0%
Brad Farquhar	Director, Executive VP & CFO	3,660,000 4.5%	1,027,800 21.3%	nil 0.0%
Gord Nystuen	VP, Market Development	1,609,926 2.0%	913,500 18.9%	nil 0.0%

## 10. ACCEPTANCE OF OFFER

To the knowledge of the Corporation, after reasonable inquiry, no Disclosable Person has indicated the present intention to tender any of such person’s Shares pursuant to the Offer. Input Capital’s management and its Board of Directors have agreed not to tender any Shares to the Offer.

## 11. AGREEMENTS, COMMITMENTS AND UNDERSTANDINGS

Except for the purchase of Shares pursuant to the 2018 NCIB and securities issued, purchased or sold pursuant to the exercise of employee stock options or in connection with the Corporation’s security-based compensation arrangements

(including purchase under the employee share purchase plan) and as otherwise described in the Offer to Purchase and this Circular, the Corporation has no commitments to purchase Shares and, to the Corporation's knowledge, after reasonable inquiry, no Disclosable Person is a party to any agreement, arrangement, commitment or understanding with respect to securities of the Corporation and there are no agreements, commitments or understandings made or proposed to be made between the Corporation and a holder of any securities of the Corporation in relation to the Offer. Neither Input Capital, nor a designated broker acting on its behalf, has purchased or will purchase Shares pursuant to the 2018 NCIB or otherwise from the time the Offer was publicly announced on June 3, 2019 until its expiration.

## **12. BENEFITS FROM THE OFFER**

Except as described or referred to herein, no Disclosable Person will receive any direct or indirect benefit from accepting or refusing to accept the Offer other than the Purchase Price for any Shares purchased by the Corporation in accordance with the terms of the Offer and any benefit available to any Shareholder who does or does not participate in the Offer.

## **13. MATERIAL CHANGES IN THE AFFAIRS OF THE CORPORATION**

Except as described or referred to herein, (a) the Corporation does not have any plans or proposals for material changes in the affairs of the Corporation, other than as have been publicly disclosed, (b) there have not been any material changes that have occurred, other than as have been publicly disclosed, and (c) the Corporation is not aware of any material fact concerning the Shares or any other matter not previously publicly disclosed and known to the Corporation that would reasonably be expected to affect the decision of Shareholders to accept or reject the Offer.

## **14. PRIOR VALUATIONS AND BONA FIDE OFFERS**

To the knowledge of the directors and officers of the Corporation, after reasonable inquiry, no "prior valuation" (as defined in MI 61-101) in respect of the Corporation has been made in the 24 months before the date hereof. No bona fide prior offer that relates to the Shares or is otherwise relevant to the Offer has been received by the Corporation during the 24 months preceding June 3, 2019 (the date on which the Offer was publicly announced).

## **15. PREVIOUS DISTRIBUTION**

On July 9, 2014, Input Capital completed a bought deal public offering of 17,500,000 Common Shares at a price of \$2.30 per common share for gross proceeds of \$40,250,000. In connection therewith pursuant to an over-allotment option, on July 18, 2014, Input Capital issued a further 2,625,000 common shares at a price of \$2.30 per common share for additional gross proceeds to Input Capital of \$6,037,500.

## **16. INCOME TAX CONSEQUENCES**

### ***Certain Canadian Federal Income Tax Considerations***

The Corporation has been advised by McKercher LLP that the following summary describes certain of the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable, as at the date hereof, to a disposition of Shares pursuant to the Offer.

This summary is based on the current provisions of the Tax Act, the regulations thereunder, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and counsel's understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form currently proposed. No assurances can be given that the Proposed Amendments will be enacted as currently proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by judicial, governmental or legislative decision or action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a "financial institution", (ii) that is a "specified financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that has entered into, or will enter into, with respect to their Shares, a "derivative forward agreement", or (v) that reports its "Canadian tax results" in a currency other than Canadian dollars, as each of those terms is defined in the Tax Act. This summary is also not applicable to a Shareholder

that acquired Shares pursuant to the exercise of an employee stock option and who disposes of such Shares pursuant to the Offer. Such Shareholders should consult their own tax advisors regarding their particular circumstances.

**This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Shareholder and no representations with respect to Canadian federal income tax consequences to any particular Shareholder are made. Accordingly, Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.**

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Shares must be expressed in Canadian dollars, including adjusted cost base and proceeds of disposition. This summary assumes that at all relevant times the Shares will be listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV).

### *Residents of Canada*

This portion of the summary is applicable to a Shareholder who, at all relevant times for the purposes of the Tax Act (i) is or is deemed to be a resident of Canada, (ii) deals at arm’s length with Input Capital and is not affiliated with Input Capital, (iii) is not exempt from tax under Part I of the Tax Act, and (iv) holds its Shares as capital property (a “**Resident Shareholder**”). Generally, Shares will be considered to be capital property to a Resident Shareholder provided that the Resident Shareholder does not hold the Shares in the course of carrying on a business and has not acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade. A Resident Shareholder whose Shares might not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election under subsection 39(4) of the Tax Act to have the Shares and every other “Canadian security”, as defined in the Tax Act, owned by such Resident Shareholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Resident Shareholders are advised to consult their own tax advisors to determine if this election is appropriate in their particular circumstances.

A Resident Shareholder who sells a Share to Input Capital pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid-up capital of such Share for purposes of the Tax Act at the time of sale exceeds the amount paid by Input Capital for such Share pursuant to the Offer. Counsel has been advised by Input Capital that the paid-up capital of each Share for purposes of the Tax Act currently exceeds the maximum amount payable for such Share pursuant to the Offer. Input Capital has also advised counsel that it expects that the paid-up capital of each Share for purposes of the Tax Act will exceed the maximum amount payable for such Share at the time the Shares are sold pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Resident Shareholder on the sale of a Share to Input Capital pursuant to the Offer.

The amount paid by Input Capital for a Share disposed of by a Resident Shareholder under the Offer will be treated as proceeds of disposition of the Share. A Resident Shareholder will realize a capital gain (or capital loss) on the disposition of the Share equal to the amount by which the Resident Shareholder’s proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Shareholder of the Share.

Generally, a Resident Shareholder will be required to include in computing its income for a taxation year one-half of any capital gain (a “**taxable capital gain**”) realized by it in that year. A Resident Shareholder must generally deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Shareholder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Resident Shareholder in the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss realized on the disposition of a Share by a Resident Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Shares. Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Shareholder who is an individual (other than a trust) and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the “superficial loss” rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has

acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period. Resident Shareholders who are individuals are urged to consult their own tax advisors with respect to the application of the “superficial loss” rules in their particular circumstances.

A Resident Shareholder that is a corporation or trust and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss suspended under the “suspended loss” rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period. Resident Shareholders that are corporations are urged to consult their own tax advisors with respect to the application of the “suspended loss” rules in their particular circumstances.

A Resident Shareholder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) throughout the year may be liable to pay an additional refundable tax on its “aggregate investment income” for the year, which is defined to include an amount in respect of taxable capital gains.

A Resident Shareholder who is an individual or a trust (other than certain specified trusts), who realizes a capital gain on the disposition of Shares pursuant to the Offer may be subject to alternative minimum tax under the Tax Act.

#### *Non-Residents of Canada*

This portion of the summary is applicable to a Shareholder who, at all relevant times for purposes of the Tax Act: (i) is not resident or deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Shares in connection with carrying on a business in Canada, (iii) deals at arm’s length with Input Capital and is not affiliated with Input Capital, and (iv) is not an insurer that carries on an insurance business in Canada and elsewhere (a “**Non-Resident Shareholder**”).

A Non-Resident Shareholder who sells a Share to Input Capital pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid-up capital of such Share for purposes of the Tax Act at the time of sale exceeds the amount paid by Input Capital pursuant to the Offer. Counsel has been advised by Input Capital that the paid-up capital of each Share for purposes of the Tax Act currently exceeds the maximum amount payable for such Share pursuant to the Offer. Input Capital has also advised counsel that it expects that the paid-up capital of each Share for purposes of the Tax Act will exceed the maximum amount payable for such Share at the time the Shares are sold pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Non-Resident Shareholder on a sale of a Share to Input Capital pursuant to the Offer.

Accordingly, the amount paid by Input Capital to a Non-Resident Shareholder for Shares pursuant to the Offer will be treated as proceeds of disposition of the Shares. A Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of a Share pursuant to the Offer unless the Shares are “taxable Canadian property” to the Non-Resident Shareholder for purposes of the Tax Act and the Non-Resident Shareholder is not entitled to relief under an applicable income tax convention between Canada and the jurisdiction in which the Non-Resident Shareholder is resident.

Generally, Shares will not constitute “taxable Canadian property” to the Non-Resident Shareholder at a particular time provided that the Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV) unless at any particular time during the preceding 60 months,

1. 25% or more of the issued shares of any class or series of Input Capital’s shares were owned by one or any combination of (i) the Non-Resident Shareholder, (ii) persons with whom the Non-Resident Shareholder did not deal at arm’s length (within the meaning of the Tax Act), and (iii) partnerships in which the Non-Resident Shareholder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships, and
2. more than 50% of the fair market value of the Share was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource properties” (as

defined in the Tax Act), “timber resource properties” (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such foregoing properties, whether or not such properties exist.

Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Shares could be deemed to be taxable Canadian property. **Non-Resident Shareholders whose shares may constitute taxable Canadian property are urged to consult with their own tax advisors.**

### ***United States Tax Consequences***

Shareholders should be aware that acceptance of this Offer may have U.S. tax consequences for Shareholders who are considered U.S. Persons under the U.S. Internal Revenue Code of 1986 (as modified, if applicable, by a tax treaty) including, but not limited to, Shareholders who are resident in, or citizens of, the U.S. (or who are otherwise subject to U.S. federal, state, or local taxation). Such U.S. tax consequences are not described herein.

**SHAREHOLDERS THAT MAY BE SUBJECT TO U.S. TAX SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES OF THE OFFER TO THEM, INCLUDING U.S. TAX REPORTING REQUIREMENTS, U.S. BACKUP WITHHOLDING RULES, THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, AND LOCAL AND NON-U.S. TAX LAWS, AND THE EFFECT OF ANY PROPOSED CHANGES IN APPLICABLE TAX LAWS.**

## **16. LEGAL MATTERS AND REGULATORY APPROVALS**

Input Capital is not aware of any license or regulatory permit that is material to the Corporation’s business that might be adversely affected by the Corporation’s acquisition of Shares pursuant to the Offer or, except as noted below, of any approval or other action by any government or governmental, administrative or regulatory authority or agency in any jurisdiction, that would be required for the acquisition or ownership of Shares by the Corporation pursuant to the Offer and that has not been obtained on or before the date hereof. Should any such approval or other action be required, the Corporation currently contemplates that such approval will be sought or other action will be taken. Input Capital cannot predict whether it may determine that it must delay the acceptance for payment of Shares tendered pursuant to the Offer pending the outcome of any such matter.

There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to the Corporation’s business.

## **17. SOURCE OF FUNDS**

Input Capital expects to fund any purchases of Shares pursuant to the Offer, including any fees and expenses, using available cash on hand.

## **18. DEPOSITARY**

Input Capital has retained TSX Trust Company to act as a depositary for, among other things, (i) the receipt of certificates representing Shares and related Letters of Transmittal tendered under the Offer, (ii) the receipt of Notices of Guaranteed Delivery delivered pursuant to the procedures for guaranteed delivery set forth under “Offer to Purchase – Procedures for Tendering Shares”, (iii) the receipt from the Corporation of cash to be paid in consideration of the Shares acquired by the Corporation under the Offer, as agent for the tendering Shareholders, and (iv) the transmittal of such cash to the tendering Shareholders, as agent for the tendering Shareholders. The Depositary may contact Shareholders by mail, telephone or email and may request brokers, dealers and other nominee Shareholders to forward materials relating to the Offer to beneficial owners. The Depositary is not an affiliate of the Corporation and the Depositary acts as the Corporation’s transfer agent and registrar.

## **19. FEES AND EXPENSES**

Evans & Evans, Inc. has been retained by the Corporation to deliver the Liquidity Opinion. Evans & Evans, Inc. will receive a fee from Input Capital for its services of providing the Liquidity Opinion and will be reimbursed for certain

reasonable out-of-pocket expenses.

The Depositary will receive reasonable and customary compensation for its services. Certain officers and employees of the Corporation may render services in connection with the Offer but will not receive any additional compensation for such services.

Input Capital is expected to incur expenses of approximately \$100,000 in connection with the Offer, which includes filing fees, the Liquidity Opinion fees, legal, translation, accounting, depositary, printing and mailing fees.

Brokers, dealers, commercial banks, trust companies and other nominees will, upon request, be reimbursed by the Corporation for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers.

## **20. STATUTORY RIGHTS**

Securities legislation in the provinces and territories of Canada provides security holders of the Corporation with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

## APPROVAL AND CERTIFICATE

June 3, 2019

The Board of Directors of Input Capital Corp. has approved the contents of the Offer to Purchase and the accompanying Issuer Bid Circular dated June 3, 2019 and the sending, communication or delivery thereof to the holders of its common shares. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

*(Signed) "Doug Emsley"*  
Chairman, President and  
Chief Executive Officer

*(Signed) "Brad Farquhar"*  
Executive Vice President and  
Chief Financial Officer

On behalf of the Board of Directors

*(Signed) "David A. Brown, Q.C."*  
Director

*(Signed) "David H. Laidley, FCPA, FCA"*  
Director

**CONSENT OF EVANS & EVANS, INC.**

TO: The Board of Directors of Input Capital Corp.

We hereby consent to the references to our firm name and to the reference to our liquidity opinion dated June 3, 2019 contained under the headings "Purpose and Effect of the Offer" and "Fees and Expenses" and the inclusion of the text of our opinion dated June 3, 2019 as Schedule A to the Circular dated June 3, 2019. Our liquidity opinion was given as at June 3, 2019 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Board of Directors of Input Capital Corp. will be entitled to rely upon our opinion.

June 3, 2019

(Signed) "*Evans & Evans, Inc.*"

**CONSENT OF MCKERCHER LLP**

TO: The Board of Directors of Input Capital Corp.

We consent to the inclusion of our name and reference to our opinion in the section titled “Income Tax Consequences – Certain Canadian Federal Income Tax Considerations” in the Circular dated June 3, 2019.

June 3, 2019

*(Signed) “McKercher LLP”*

**SCHEDULE A – LIQUIDITY OPINION OF EVANS & EVANS, INC.**

June 3, 2019

**INPUT CAPITAL CORP.**  
300, 1914 Hamilton Street  
Regina, Saskatchewan S4P 3N6

**Attention: Board of Directors**

Dear Sirs:

**Subject: Liquidity Opinion**

**1.0 Introduction**

- 1.01 Evans & Evans Inc. (“Evans & Evans” or the “authors of the Opinion”) understands that Input Capital Corp. (“Input” or the “Company”) intends to make a substantial issuer bid (the “Substantial Issuer Bid”) to acquire up to \$15.0 million in common shares of the Company (the “Shares”) at a price not less than \$0.72 per share (“Minimum Offer Price”) and not in excess of \$0.82 (“Maximum Offer Price”). Evans & Evans also understands that the terms and conditions of the Substantial Issuer Bid will be set forth in an offer to purchase and issuer bid circular to be issued by the Company and dated June 3, 2019 (the “Offer to Purchase”) and the related letters of transmittal and notice of guaranteed delivery (collective, the “Offer Documents”) which will be mailed to the holders of the Shares in connection with the Substantial Issuer Bid. The terms used herein that are used or defined in the Offer to Purchase and not otherwise defined herein will have the same meaning as used in the Offer to Purchase.
- 1.02 We have been retained by the Company to prepare and deliver to the Board of Directors of the Company (the “Board”) Evans & Evans’ opinion (the “Opinion”) as to whether, as of the date hereof, (i) a liquid market for the Shares exists, and (ii) it is reasonable to conclude that, following the completion of the Substantial Issuer Bid, there will be a market for holders of the Shares who do not tender to the Substantial Issuer Bid that is not materially less liquid than the market that existed at the time of the making of the Substantial Issuer Bid. The Board has obtained the Opinion from Evans & Evans pursuant to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”).
- 1.03 Input is a reporting issuer whose common shares are listed for trading on the TSX Venture Exchange (the “TSXV”) under the symbol “INP” and in the U.S. over-the-counter market under the symbol “INPCF”.
-

- 1.04 Unless otherwise stated, all dollar amounts referred to herein are in Canadian dollars.
- 1.05 The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on February 13, 2012, under the name “WB II Acquisition Corp.”. The Company completed its initial public offering on April 24, 2012 and was listed on the TSXV as a capital pool company until it completed its qualifying transaction on July 19, 2013 (the “Qualifying Transaction”). The Qualifying Transaction proceeded by way of a “three-cornered” amalgamation (the “Amalgamation”) among the Company, Input Capital Corp., then a private Saskatchewan corporation (“Input Private Co.”), and 101235315 Saskatchewan Ltd., which resulted in a reverse takeover of the Company by Input Private Co. The reverse takeover completed the Company’s Qualifying Transaction in accordance with the rules and policies of the TSXV. On August 8, 2013, the Company was continued under the *Business Corporations Act* (Saskatchewan).

Input has three products: (1) capital stream contracts (“Capital Stream Contracts”, or “Capital Streams”), (2) marketing stream contracts (“Marketing Stream Contracts”, or “Marketing Streams”) and (3) mortgage stream contracts (“Mortgage Stream Contracts”, or “Mortgage Streams”). Capital Streams are designed to assist farmers with working capital, Marketing Streams are designed to assist farmers with maximizing the sale price of their canola and Mortgage Streams are designed to assist farmers with land financing requirements.

## **2.0 Engagement of Evans & Evans, Inc.**

- 2.01 Evans & Evans was formally engaged by the Company through an agreement between the Company and Evans & Evans (the “Engagement Letter”) dated May 27, 2019 (and effective as of May 28, 2019). The terms of the Engagement Letter provide that Evans & Evans is to be paid a fee for its services for its completion of the Opinion in regard to the Substantial Issuer Bid. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances. Evans & Evans consents to the inclusion of the Opinion in its entirety and a summary thereof in the Offer to Purchase to be mailed to holders of Shares and to the filing itself, as necessary, by the Company with the securities commissions or similar regulatory authorities in each province of Canada and in the United States

## **3.0 Scope of Review**

- 3.01 In connection with preparing the Opinion, Evans & Evans, among other things, undertook the following:
- Interviewed management of Input to gain an understanding of the background for the Substantial Issuer Bid.

- Reviewed the trading activity, volumes, and price history of the Shares for the Canadian Consolidated quote for the period April 15, 2015 to May 31, 2019.
- Reviewed the distribution and ownership of the Shares, to the extent publicly disclosed or provided to us by the Company.
- Reviewed the number of Shares issued and outstanding.
- Reviewed the number of Shares proposed to be purchased under the Substantial Issuer Bid relative to the (i) total number of Shares issued and outstanding less (ii) the number of Shares owned by related parties of the Company and Shares or blocks thereof, that are known to us, that could be considered as not being freely tradable.
- Reviewed the Company's 2018 Annual Information Form and the Management Discussion and Analysis for the quarter ended March 31, 2019.
- Reviewed the definition of "liquid market" as outlined in MI 61-101 and certain other parameters in MI 61-101.
- Reviewed the Trading values and data for royalty and streaming companies.
- Reviewed certain precedent issuer bids that we considered relevant.
- Reviewed such other information including corporate, industry, and financial market information, investigations and analyses as Evans & Evans considered necessary or appropriate in the circumstances

#### **4.0 Assumptions and Conditions**

- 4.01 We have relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained by us from public sources or provided to us by or on behalf of the Company or otherwise obtained by us in connection with our engagement (the "Information") The Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to and have not attempted to or assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information.
- 4.02 In preparing the Opinion, we have assumed that the final Offer Documents will not differ in any material respect from the draft that we reviewed, and that the Substantial Issuer Bid will be consummated in accordance with the terms and conditions of the Offer to Purchase without waiver of, or amendment to, any term or condition. We have also assumed that there will be no significant change in the holdings of the Shares other than as a result of the Substantial Issuer Bid.

- 4.03 The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they have been represented to Evans & Evans in discussions with management of the Company and its representatives. In our analyses and in preparing the Opinion, Evans & Evans made numerous judgments and assumptions, including with respect to industry performance, general business, market, economic, and financial conditions and other matters, many of which are beyond our control or that of any party involved in the Substantial Issuer Bid.
- 4.04 The Opinion is provided to the Board of Directors for its exclusive use only in determining the availability of an exemption from the formal valuation requirements of MI 61-101 (pursuant to Section 3.4(b) thereof) in connection with the Substantial Issuer Bid and may not be used or relied upon by any other person or for any other purpose without or prior written consent. The Opinion does not constitute a recommendation as to whether any holders of the Shares should tender their Shares to the Substantial Issuer Bid. Except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.
- 4.05 We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities of assets of the Company or of any of its affiliates, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the value of any securities of the Company or the price at which the securities of the Company may trade at any time. Evans & Evans was not engaged to review any legal, tax or regulatory aspects of the Offer to Purchase and the Opinion does not address any such matters. We have relied upon, without independent verification, the assessment by the Company and its legal and tax advisors with respect to such matters.
- 4.06 Evans & Evans believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.
- 4.07 The Opinion is rendered as of the date hereof and Evans & Evans disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of Evans & Evans after the date hereof. Without limiting the foregoing, if we learn that any of the information we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, or we learn of any material change in any fact or matter affecting the Opinion, Evans & Evans reserves the right to change or withdraw the Opinion.

4.08 For the purposes of this Opinion, the phrase “liquid market” has the meaning ascribed thereto in MI 61-101.

**5.0 Liquidity Analysis**

5.01 Evans & Evans reviewed the definition of a liquid market as outlined in MI 61-101 and has conducted the following analysis. The criteria for a liquid market as defined in 61-101 are set out in italics in the following points.

5.02 *There is a published market for the class of securities*

The Company’s shares as listed for trading on the TSXV and the over-the-counter market in the United States.

5.03 *During the period of 12 months before the date the transaction is agreed to in the case of a business combination, or 12 months before the date the transaction is publicly announced in the case of an insider bid or issuer bid the number of outstanding securities of the class was at all times at least 5,000,000, excluding securities beneficially owned, or over which control or direction was exercised, by related parties and securities that were not freely tradeable.*

As can be seen from the table below, the Company’s share capitalization significantly exceeds 5.0 million.

**Table 1.0**

<b>Date</b>	<b>Shares Outstanding</b>	<b>Shares Held by Management</b>	<b>Freely Trading Shares</b>
30-Sep-17	82,672,758	16,372,157	66,300,601
30-Sep-18	83,250,960	16,372,157	66,878,803
31-Mar-19	82,154,460	16,372,157	65,782,303
31-May-19	82,154,460	16,372,157	65,782,303

The number of Shares outstanding following the completion of the Substantial Offer Bid would remain significantly above that required by the Instrument.

**Table 2.0**

<b>Substantial Issuer Bid of \$15,000,000</b>	<b>Shares Purchased</b>	<b>Shares Held by Management</b>	<b>Resulting Number of Shares Outstanding</b>	<b>Freely Trading Shares</b>
Minimum Offer Price	20,833,333	16,372,157	61,321,127	44,948,970
Maximum Offer Price	18,292,683	16,372,157	63,861,777	47,489,620

- 5.04 *During the period of 12 months before the date the transaction is agreed to in the case of a business combination, or 12 months before the date the transaction is publicly announced in the case of an insider bid or issuer bid the aggregate trading volume of the class of securities on the published market on which the class was principally traded was at least 1,000,000 securities.*

As can be seen from the table below, the number of shares traded in the 12 months preceding the date of the Opinion was significantly above 1.0 million. Further, if trading volumes remain the same post-Substantial Issuer Bid, the number of shares traded would still significantly exceed that required by the Instrument. Post completion of the Substantial Issuer Bid, trading volumes would be able to decline materially before a liquid market would cease to exist for the Shares.

**Table 3.0**

**12 Months Ended May 31, 2019**

Number of Shares Traded	19,922,791 a
% of Shares Outstanding	24.3% b
Shares Outstanding post	
Substantial Issuer Bid (Minimum Offer Price)	61,321,127 c
Implied Trading 12 Months Following Completion of Substantial Issuer Bid	14,870,623 d=b*c
Shares Outstanding post	
Substantial Issuer Bid (Maximum Offer Price)	63,861,777 e
Implied Trading 12 Months Following Completion of Substantial Issuer Bid	15,486,741 f=b*f

- 5.05 *During the period of 12 months before the date the transaction is agreed to in the case of a business combination, or 12 months before the date the transaction is publicly announced in the case of an insider bid or issuer bid there were at least 1,000 trades in securities of the class on the published market on which the class was principally traded.*

In the 12 months preceding the Opinion, there were 11,150 trades, significantly above the 1,000 required by the Instrument. Trading volumes would have to decline by a factor of more than 10 in order for a liquid market to not exist following the completion of the Substantial Issuer Bid.

- 5.06 *During the period of 12 months before the date the transaction is agreed to in the case of a business combination, or 12 months before the date the transaction is publicly announced*

*in the case of an insider bid or issuer bid the aggregate value of the trades in securities of the class on the published market on which the class was principally traded was at least \$15,000,000.*

As can be seen from Table 4.0(a) below, the dollar value of trades in the 12 months preceding the date of the Opinion was \$18.91 million or approximately 26% above the amount required by the Instrument.

**Table 4.0 (a)**

**12 Months Ended May 31, 2019**

Number of Shares Traded	19,922,791 a
Number of Trades	11,150 b
Trading Days	251 c
Average Shares Traded per Day	79,374 d
Percentage of Shares Outstanding	0.097% e

**Dollar Value of Trades** **\$18,911,054 f**

Dollar Value / Trade \$1,696 g=f/b

Evans & Evans assessed whether the trading volume would exceed \$15.0 million following the completion of the Substantial Issuer Bid in Tables 4.0 (b) and (c) below. In assessing liquidity following completion of the Substantial Issuer Bid, Evans & Evans assumed trading volumes as a percentage of shares outstanding would not change. Evans & Evans calculated the number of shares that would trade in the 12 months following the completion of the Substantial Issuer Bid. Next, Evans & Evans calculated the minimum average trading price for the shares that would be required in order for the requirement of a liquid market to exist for the Shares. Lastly, Evans & Evans compared the minimum average trading price to the price for the Shares if there were no change in market capitalization (at either the Minimum Offer Price or the Maximum Offer Price) following completion of the Substantial Issuer Bid.

For the Maximum Offer Price, Evans & Evans found the trading price of the Shares had to appreciate less than the value implied by the new number of shares outstanding multiplied by the Maximum Offer Price. Under the Minimum Offer Price, the trading price of the Shares would have to appreciate by less than 4.5% in order for the standard to continue to be met.

**Table 4.0 (b)****12 Months Post Completion of Substantial Issuer Bid - Minimum Offer Price**

Shares Outstanding	61,321,127	h=Table 3
Shares Traded	14,870,623	i=h*c*e
<b>Instrument Requirement</b>	<b>\$15,000,000</b>	<b>j</b>
Required Price per Share	\$1.01	k=j/i
<b>Market Capitalization at Minimum Offer Price</b>		<b>\$59,151,211</b>
Implied Price per Share Post Substantial Offer Bid		\$0.96

**Table 4.0 (c)****12 Months Post Completion of Substantial Issuer Bid - Maximum Offer Price**

Shares Outstanding	63,861,777	n
Shares Traded	15,486,741	o=n*c*e
<b>Instrument Requirement</b>	<b>\$15,000,000</b>	<b>j</b>
Required Price per Share	\$0.97	p=j/o
<b>Market Capitalization at Maximum Offer Price</b>		<b>\$67,366,657</b>
Implied Price per Share Post Substantial Offer Bid		\$1.05

5.07 *The market value of the class of securities on the published market on which the class was principally traded, as determined in accordance with subsection (2), was at least \$75,000,000 for the calendar month preceding the calendar month (A) in which the transaction is agreed to, in the case of a business combination, or (B) in which the transaction is publicly announced, in the case of an insider bid or issuer bid.*

For the calendar month preceding the date of the Opinion the market capitalization was in the range of \$60 million.

**6.0 Liquidity Conclusions**

6.01 Based upon and subject to the foregoing, Evans & Evans is of the opinion that, as of the date hereof, (i) a liquid market for the Shares exists, and (ii) it is reasonable to conclude that, following the completion of the Substantial Issuer Bid, there will be a market for holders of the Shares who do not tender to the Substantial Issuer Bid that is not materially

less liquid than the market that existed at the time of the making of the Substantial Issuer Bid.

While Input does not meet the market capitalization test for a liquid market in the 30 days preceding the Opinion, Evans & Evans is of the view that the number of trades, the value of the trades and the number of shares traded are more important factors than overall market capitalization in assessing the liquidity of a stock.

## **7.0 Qualifications & Certification**

- 7.01 The Opinion preparation, and related fieldwork and due diligence investigations, were carried out by carried out by Jennifer Lucas and certain qualified staff of Evans & Evans and thereafter reviewed by Michael A. Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1988. For the past 32 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of over 2,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes. Formerly, he spent three years in the computer industry in Western Canada with Wang Canada Limited (1983-1986) where he worked in the areas of marketing and sales.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Chartered Business Valuators Institute ("CBVI") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Managing Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 1,500 valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Master in Business Administration degree from the University of British

**INPUT CAPITAL CORP.**

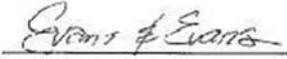
June 3, 2019

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Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CBVI and the ASA.

- 7.02 The authors of the Opinion have no present or prospective interest in Input and we have no personal interest with respect to the parties involved. Evans & Evans, as an independent financial advisor, was paid a fixed fee for the preparation of the Opinion that was not dependent on the conclusions expressed therein.
- 7.03 Neither Evans & Evans nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in applicable securities legislation) of Input or its associates and affiliates. There are no understandings or agreements between Evans & Evans or its affiliates and any of the foregoing persons with respect to future financial advisory or financing services.

Yours very truly,

A handwritten signature in cursive script that reads "Evans & Evans". The signature is written in dark ink and is positioned above a horizontal line.

**EVANS & EVANS, INC.**

The Letter of Transmittal, certificate(s) for Shares and any other required documents must be sent or delivered by each tendering Shareholder or the tendering Shareholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses specified below.

**Offices of the Depositary, TSX Trust Company**

By Hand, Mail, Registered Mail or Courier

ATTN: CORPORATE ACTIONS  
301 -100 Adelaide Street West  
Toronto, Ontario  
M5H 4H1

**Inquiries**

North American Toll Free: 1-866-600-5869  
Telephone: 416-342-1091  
Facsimile: 416-361-0470  
E-Mail: [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com)

**DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.**

Any questions or requests for assistance may be directed to the Depositary at the addresses and telephone number specified above. Shareholders also may contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary. Manually executed photocopies of the Letter of Transmittal will be accepted.