

FORM 51-102F3
Material Change Report

1. Name and Address of Corporation:

The Western Investment Company of Canada Limited ("Western" or the "Corporation")
1010 - 24th Street SE
High River, Alberta
T1V 2A7

2. Date of Material Change(s):

November 16, 2017

3. News Release:

A news release relating to the material changes described herein was released on November 16, 2017 through the facilities of Globe Newswire.

4. Summary of Material Change(s):

The Corporation announced that, along with a partner, it signed a Letter of Intent to acquire 90% of an Agrifood Processor in Western Canada.

5. Full Description of Material Change:

5.1 Full Description of Material Change

Western along with a partner ("**Partner**") have signed a Letter of Intent ("**LOI**") to acquire 90% of an Agrifood Processor ("**Agrifood Processor**" or "**Business**") in Western Canada (the "**Transaction**").

The LOI establishes the purchase price for the Agrifood Processor at approximately \$25.5 million including market value of real estate valued by a third party. \$22 million of the purchase price shall be paid upon the closing of the Transaction (pending the appraised market value of the real estate valued by a third party), while up to another \$3.5 million may be paid over four years by way of a performance based earn-out.

On closing, Western will own approximately 50% and its Partner approximately 40%, while the current owner will retain 10% ownership in the Business.

Western CEO Scott Tannas commented: "*Western is proposing to acquire yet another iconic Western Canadian business whose strong market share, well-known brand, and a history of earnings and cash flow makes it a natural asset in the Western family. The company has a young management team led by a founder focused on finding the right partners to ensure the continuity of the business.*"

The Transaction will be funded through a cash equity investment, 400,000 common shares of Western with a deemed value of \$0.625 per share and senior amortizing debt. Western does not anticipate requiring more equity financing to complete the Transaction.

The LOI contains a number of conditions to closing, including approvals from the board of both Western and its Partner, the completion of due diligence, a mutually acceptable purchase and sale agreement, the receipt of debtor financing on acceptable terms, and the receipt of all regulatory approvals including that of the TSX Venture Exchange. The parties have agreed to keep the identity of the Agrifood Processor confidential until all conditions have been removed along with a closing by January 31, 2018.

Mr. Tannas concluded: *“Over the coming weeks we will work to complete this transaction and the previously announced “Specialty Retailer” investment. With four investments closed or in process and an active pipeline of opportunities, Western has a busy year ahead creating more shareholder value.”*

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer Knowledgeable of Material Change:

Scott Tannas, President and Chief Executive Officer
(403) 652-2663

9. Date of Report:

November 21, 2017