

FORM 51-102F3
Material Change Report

1. Name and Address of Corporation:

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

2. Date of Material Change(s):

May 6, 2019

3. News Release:

A news release relating to the material changes described herein was released on May 6, 2019 through the facilities of Newsfile.

4. Summary of Material Change(s):

WICC announced it has received all regulatory approvals from the Alberta Superintendent of Insurance including licences that will allow Fortress Insurance Company ("Fortress") to conduct business on a wider scale within Alberta. With all conditions to closing now removed, WICC has completed its acquisition to acquire a fifty percent interest in Fortress.

5. Full Description of Material Change:

5.1 Full Description of Material Change

WICC announced it has received all regulatory approvals from the Alberta Superintendent of Insurance including licences that will allow Fortress to conduct business on a wider scale within Alberta.

With all conditions to closing now removed, WICC has completed its acquisition to acquire a fifty percent interest in Fortress. We look forward to updating our shareholders on progress with respect to our new venture with a goal to commence expanded western Canadian operations and insurance sales in July of 2019.

Fortress is an Alberta registered and regulated insurance company, exclusively providing automobile third party liability coverage to Prairie View Holding companies in the rental car and airport services business in Calgary. WICC and its partners have agreed on a plan to transform Fortress from its current narrow scope to seize upon opportunities in specialty and surplus lines of business within the western Canadian insurance marketplace. The plan includes expansion of Fortress' licenced operations to include all four western provinces, offering various property insurance products geared to niche customers.

WICC is planning to implement the conversion of the \$4,000,000 in subscription receipts which were issued on April 9, 2019 into convertible debentures on Thursday, May 9, 2019. The gross

proceeds will be used for general working capital purposes. Each debenture is convertible into common shares of WICC at a conversion price of \$0.55 per share. The debentures will mature on March 31, 2024 and bear interest at the rate of 7.5% per annum, payable semi-annually at the end of March and September. Further details regarding the terms of the debentures are contained in WICC's press release dated April 9, 2019.

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:

May 16, 2019