

**Form 62-103F1**  
**REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS**

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

Not applicable.

**Item 1 - Security and Reporting Issuer**

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

This report relates to common shares ("**Shares**") of Tree Island Steel Ltd. (the Company").

The Company's address is:

3933 Boundary Road  
Richmond, BC V6V 1T8

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

On June 27, 2019, The Futura Corporation and Arbutus Distributors Ltd. (collectively the "Majority Shareholders") announced that they had made a non-binding proposal to the Board of Directors of the Company to take the Company private.

**Item 2 - Identity of the Acquiror**

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

Amar S. Doman  
2970 – 700 West Georgia Street  
Vancouver, BC V7Y 1A1

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

On June 27, 2019, the Majority Shareholders announced that they had made a non-binding proposal to the Board of Directors of the Company to take the Company private at a price of \$2.25 per Share payable in cash.

The Majority Shareholders, who are controlled by Company directors, Amar Doman and Peter Bull, respectively, collectively own 14,699,100 Shares, representing 50.95% of the 28,847,297 issued and outstanding Shares as of June 20, 2019. (8,834,850 Shares are owned by The Futura Corporation.)

The Majority Shareholders have proposed that the potential transaction be structured by way of a court-supervised statutory plan of arrangement (the "Arrangement"). The Arrangement would require a special resolution of the holders of Shares to be approved by two-thirds of the Shares represented in person or by proxy at a meeting of shareholders of the Company (the "Meeting"). In addition, because the potential transaction would constitute a "business combination" for the purposes of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, the Arrangement would need to be approved by a simple majority of the Shares represented in person or by proxy at the Meeting of the Shareholders, other than Shares owned by the Majority Shareholders. The Majority Shareholders understand that the Board of Directors of the Company have established a special committee of independent directors (the "Special Committee") which will engage an independent financial advisor to prepare a formal valuation of the Shares and deliver an opinion as to the fairness, from a financial point of view, of the potential transaction to minority holders of Shares. The Special Committee is expected to make a recommendation to shareholders as to whether or not to support the proposal.

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

The Majority Shareholders, who are controlled by Company directors, Amar Doman and Peter Bull, are considered joint actors.

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

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

See Item 2.2.

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

See Item 2.2.

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

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's security holding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

See Item 2.2.

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

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

See Item 2.2.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

#### **Item 4 - Consideration Paid**

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

See Item 2.2.

- 4.2 **In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 2.2.

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

See Item 2.2.

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

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

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

See Item 2.2.

- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;

See Item 2.2.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Should a transaction be completed, the Majority Shareholders intend to cause the Shares to cease to be listed on the Toronto Stock Exchange and to cause the

Company to file an application to cease to be a reporting issuer under applicable Canadian securities laws and to otherwise terminate the Company's public reporting requirements.

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

See Item 5(f).

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

See Item 5(f).

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

See Item 5(f).

- (j) a solicitation of proxies from securityholders;

See item 2.2.

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

Not applicable.

#### **Item 6 - Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

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

See Item 2.2. There is currently no binding agreement with respect to the proposal.

#### **Item 7 - Change in material fact**

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

See Item 6.

**Item 8 - Exemption**

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

Not applicable.

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**Item 9 - Certification**

The acquiror must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

**Certificate**

I, Amar S. Doman, certify, to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

June 28, 2019

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Date

*/s/ Amar S. Doman*

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Amar S. Doman