

Form 62-103F1

Required Disclosure under the Early Warning Requirements

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 in the capital of Itasca Capital Ltd. (**Itasca**).

Itasca Capital Ltd.
1800 - 510 West Georgia Street
Vancouver, British Columbia V6B 0M3

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

The occurrence giving rise to this report is the acquisition of common shares of Itasca pursuant to a private agreement that closed on November 25, 2019.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Larry J. Swets, Jr. (the **Acquiror**)
306 N Maple St
Itasca, Illinois
60143

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 November 25, 2019, the Acquiror acquired ownership and control of a total of 3,011,447 common shares of Itasca (the **Shares**) at a deemed price of CDN\$0.349 per share pursuant to a private agreement for a total price of CDN\$1,052,158.86.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

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

The Shares represent approximately 13.81% of the total issued and outstanding common shares of Itasca, assuming 21,810,626 common shares outstanding, as disclosed in Itasca's most recently filed interim financial statements for the nine month period ended September 30, 2019.

Before the sale, the Acquiror held 533,000 common shares representing approximately 2.44% of the total issued and outstanding common shares of Itasca and 80,000 options each convertible into one common share. The 533,000 common shares together with those issuable upon the exercise of the options would represent in the aggregate approximately 2.80% of the total issued

and outstanding common shares of Itasca. Following the sale, the Acquiror now has ownership and control of a total of 3,544,447 common shares representing approximately 16.25% of the total issued and outstanding common shares of Itasca. The 3,544,447 common shares now held by the Acquiror, together with those issuable on the exercise of the options, would represent in the aggregate approximately 16.56% of the total issued and outstanding common shares of Itasca.

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

The Acquiror acquired ownership and control over the Shares.

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

Not applicable.

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

Please see paragraph 3.1 above.

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,

Please see paragraph 3.1 above.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

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.**

The Shares were acquired at a deemed price of CDN\$0.349 per common share for total gross deemed price of CDN\$1,052,158.86.

- 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.**

The Shares were acquired in exchange for certain cash payments and other consideration the deemed value of which totalled CDN\$1,052,158.86.

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

Not applicable.

Item 5 – Purpose of the Transaction

- 5.1 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;**

The Acquiror acquired the Shares as part of his ongoing portfolio management. Depending on market and other conditions, the Acquiror may take such actions in the future as it deems appropriate in light of the circumstances then existing.

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

Not applicable.

(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;

Not applicable.

(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;

Not applicable.

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

Not applicable.

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

Not applicable.

(j) a solicitation of proxies from securityholders;

Not applicable.

(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.

Not applicable.

Item 7 – Change in Material Fact

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

Not applicable.

Item 8 – Exemption

Not applicable.

Item 9 – Certification

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

Date: November 27, 2019

LARRY J. SWETS, JR.

"Larry J. Swets, Jr."
