

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form prospectus constitutes a public offering of securities only in those jurisdictions where such securities may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and, accordingly, may not be offered, sold or delivered, directly or indirectly, in the United States (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of StorageVault Canada Inc., at 100 Canadian Road, Toronto, Ontario M1R 4Z5, Telephone 1-877-622-0205, and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue and Secondary Offering

July 12, 2017



STORAGEVAULT CANADA INC.

\$135,001,600

50,944,000 Common Shares

Price: \$2.65 per Common Share

StorageVault Canada Inc. (“StorageVault” or the “Corporation”) is hereby qualifying for distribution 50,944,000 common shares (the “Common Shares”) of the Corporation at a price of \$2.65 per Common Share for aggregate gross proceeds of \$135,001,600. Of the 50,944,000 Common Shares being offered pursuant to this short form prospectus, 32,076,000 Common Shares (the “Treasury Shares”) will be issued and sold by the Corporation (the “Treasury Offering”) and a total of 18,868,000 Common Shares will be sold by SaskWorks Venture Fund Inc. (“SaskWorks”) and APEX II Investment Fund Limited Partnership (“APEX II”, each of SaskWorks and APEX II are a “Selling Shareholder” and collectively, the “Selling Shareholders”) (the “Secondary Offering” and together with the Treasury Offering, the “Offering”). Each of the Selling Shareholders are managed by PFM Capital (2010) Inc. through its related entities PFM Venture Capital Operations Inc. and PFM Fund Operations Inc. The Corporation will not receive any of the proceeds of the sale of the Common Shares by the Selling Shareholders. See “Selling Shareholders”.

The offering price of the Common Shares offered under this short form prospectus (the “Offered Shares”) was determined by negotiation among the Corporation, the Selling Shareholders and National Bank Financial Inc. and GMP Securities L.P. (together, the “Co-Lead Underwriters”), on their own behalf and on behalf of Cormark Securities Inc., Raymond James Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Canaccord Genuity Corp. and Industrial Alliance Securities Inc. (together with the Co-Lead Underwriters, the “Underwriters”). See “Plan of Distribution”.

	Price to Public	Underwriters' Fee ⁽¹⁾	Net Proceeds to the Corporation ⁽²⁾⁽³⁾	Net Proceeds to the Selling Shareholders ⁽²⁾⁽³⁾
Per Common Share	\$2.65	\$0.106	\$2.544	\$2.544
.....				
Total Offering	\$135,001,600	\$5,400,064	\$81,601,344	\$48,000,192
.....				

Notes:

- (1) The Underwriters will be paid an aggregate cash fee equal to 4.00% of the gross proceeds of the Offering (the “Underwriters’ Fee”), which will be paid proportionately by each of the Corporation and the Selling Shareholders based on the respective number of Offered Shares sold by each pursuant to the Offering provided, however, that the Underwriters’ Fee payable by the Corporation and the Selling Shareholders will be reduced to 3.00% on sales of Offered Shares (subject to a maximum of \$13,506,910 of aggregate gross proceeds for such sales, including the Over-Allotment Option (as defined herein), if exercised) made to persons known to the Corporation and identified to the Co-Lead Underwriters prior to signing the Underwriting Agreement (as defined herein) (the “President’s List”). The Underwriters will also be reimbursed for their legal and other expenses which will be paid proportionately by each of the Corporation and the Selling Shareholders based on the respective number of Offered Shares sold by each pursuant to the Offering. See “Plan of Distribution”.

(ii)

- (2) After deducting the Underwriters' Fee but before deducting the estimated expenses of the Offering of \$550,000 (which amount excludes the expenses and fees, including legal counsel fees, of the Selling Shareholders, which shall be borne directly by the Selling Shareholders), which expenses (other than the expenses and fees, including legal counsel fees, of the Corporation, which shall be paid by the Corporation) will be paid proportionately by each of the Corporation and the Selling Shareholders based on the respective number of Offered Shares sold by each pursuant to the Offering. See "*Plan of Distribution*".
- (3) The Corporation and SaskWorks have granted to the Underwriters an option (the "**Over-Allotment Option**") exercisable at the sole discretion of the Underwriters, in whole or in part, at any time and from time to time, until and including 30 days after the Closing Date (as defined herein) to purchase up to an additional 4,811,400 Common Shares from the Corporation on the same terms as the Treasury Offering for aggregate proceeds of up to \$12,750,210 and up to an additional 2,830,200 Common Shares from SaskWorks, on the same terms as the Secondary Offering, for aggregate proceeds of up to \$7,500,030 (collectively, the "**Over-Allotment Shares**", and where the context requires, reference to "**Offered Shares**" includes the Over-Allotment Shares), to cover over allotments, if any, and for market stabilization purposes. This short form prospectus qualifies the distribution of the Over-Allotment Option and the issuance and distribution of the Over-Allotment Shares issuable on exercise of the Over-Allotment Option. A purchaser who acquires common shares forming part of the Underwriters' over-allocation position acquires those common shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases, if applicable. If the Over-Allotment Option is fully exercised, the total "Price to Public", "Underwriters' Fee", "Net Proceeds to the Corporation" and "Net Proceeds to the Selling Shareholders" will be (after deducting the Corporation's portion (\$450,000), and the Selling Shareholders' portion (\$100,000) of the estimated expenses of the Offering of \$550,000) \$155,251,840, \$6,210,074, \$93,391,546 and \$55,100,221 respectively. See "*Plan of Distribution*".

The following table sets forth the number of Over-Allotment Shares that may be issued by the Corporation and SaskWorks to the Underwriters pursuant to the Over-Allotment Option:

<u>Underwriters Position</u>	<u>Maximum size or number of securities available</u>	<u>Exercise period</u>	<u>Exercise price</u>
Over-Allotment Option	7,641,600 Common Shares	Until and including 30 days from the Closing Date	\$2.65 per Over-Allotment Share

The Selling Shareholders currently own an aggregate of approximately 14.22% of the issued and outstanding Common Shares of the Corporation. Immediately following the completion of the Offering, the Selling Shareholders will own approximately 7.17% of the issued and outstanding Common Shares, assuming no exercise of the Over-Allotment Option, or 6.23% of the issued and outstanding Common Shares if the Over-Allotment Option is fully exercised. See "*Selling Shareholders*".

The issued and outstanding Common Shares are listed on the TSX Venture Exchange (the "**TSX-V**") under the symbol "SVI". On June 27, 2017, the last trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX-V was \$2.78 per Common Share. On July 11, 2017, the last trading day prior to the date hereof, the closing price of the Common Shares on the TSX-V was \$2.60 per Common Share. The TSX-V has conditionally accepted the listing of the Treasury Shares and the Over-Allotment Shares that are issued by the Corporation on the TSX-V. The listing of the Treasury Shares and the Over-Allotment Shares that are issued by the Corporation will be subject to the Corporation fulfilling all of the listing requirements of the TSX-V.

The Underwriters, as principals with respect to the sale of the Offered Shares, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Corporation and if, as and when sold by the Selling Shareholders, and delivered and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*" and subject to approval of certain legal matters relating to the Offering on behalf of the Corporation by DLA Piper (Canada) LLP and on behalf of the Underwriters by Goodmans LLP.

The Underwriters propose to offer the Offered Shares initially at the offering price specified above. After a reasonable effort has been made to sell all of the Offered Shares at the price specified, subject to applicable laws, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the proceeds received by the Corporation or the Selling Shareholders. See "*Plan of Distribution*".

An investment in the securities offered hereunder is speculative and involves a high degree of risk. The risk factors identified under the headings "*Risk Factors*" and "*Special Note Regarding Forward-Looking Statements*" herein and the other documents incorporated by reference in this short form prospectus should be carefully reviewed and evaluated by prospective subscribers before purchasing the securities being offered hereunder.

Subscriptions for Offered Shares and Over-Allotment Shares will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that closing will occur on or about July 19, 2017, or such other date as may be agreed upon by the Corporation, the Selling Shareholders and the Co-Lead

(iii)

Underwriters, but in any event not later than August 2, 2017 (the “**Closing Date**”). Except in certain limited circumstances: (i) the Offered Shares will be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee as non-certificated inventory pursuant to the book-based system administered by CDS; (ii) no certificates evidencing the Offered Shares will be issued to purchasers of Offered Shares unless specifically requested, as provided for below; and (iii) purchasers of Offered Shares will only receive a customer confirmation from the Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased. Purchasers who are not issued a certificate evidencing the Offered Shares which are subscribed for by them on the Closing Date are entitled under the *Business Corporations Act* (Alberta) (“**ABCA**”) to request that a certificate be issued in their name. Such a request will need to be made through the CDS participant through whom the beneficial interest in the securities are held at the time of the request. See “*Plan of Distribution – Book-Based System*”.

Subject to applicable laws in connection with the Offering, the Underwriters may effect transactions intended to stabilize or maintain the market price for the Common Shares at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. A purchaser who acquires Common Shares forming part of the Underwriters’ over-allocation position acquires those Common Shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases, if applicable. See “*Plan of Distribution*”.

BMO Nesbitt Burns Inc., CIBC World Markets Inc. and Scotia Capital Inc. are each affiliates of financial institutions, respectively, that are lenders to StorageVault, along with other lenders. In addition, National Bank Financial Inc., Scotia Capital Inc. TD Securities Inc., BMO Nesbitt Burns Inc., Raymond James Ltd. and CIBC World Markets Inc. are each affiliates of financial institutions that have committed to provide StorageVault with debt financing in connection with the Sentinel Storage Transaction (as defined herein). Consequently, StorageVault may be considered to be a “connected issuer” of each the Underwriters listed above under applicable Canadian securities legislation. StorageVault intends to use a portion of the net proceeds of the Offering to repay existing indebtedness under the Lines of Credit (as defined herein) and such amount will then be available to be drawn by StorageVault under the Lines of Credit, as required, for general corporate purposes. See “*Relationship Between the Corporation and Certain of the Underwriters*” and “*Use of Proceeds*”.

An affiliate of BMO Nesbitt Burns Inc. is an investor in APEX II and will receive a portion of the net proceeds of the Offering based on its pro rata ownership interest in such funds. Consequently, APEX II is a “connected issuer” of BMO Nesbitt Burns Inc. under applicable Canadian securities laws. The decision to sell the Offered Shares and the determination of the terms of the Secondary Offering, including the price of the Offered Shares to be sold by APEX II, was made through negotiations between the Selling Shareholders and the Underwriters with reference to prevailing market conditions. APEX II, together with its affiliates, has full decision-making authority over all of its investments, including decisions with respect to the Offered Shares. The affiliate of BMO Nesbitt Burns Inc. did not have any involvement in the decision to sell the Offered Shares or in the negotiation of the terms of the Secondary Offering.

The Corporation’s head office is located at 100 Canadian Road, Toronto, Ontario M1R 4Z5 and its registered office is located at 1000, 250 - 2nd Street S.W., Calgary, Alberta, T2P 0C1.

TABLE OF CONTENTS

DEFINITIONS	1
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	2
PRESENTATION OF FINANCIAL INFORMATION	4
NOTE TO READERS	4
DOCUMENTS INCORPORATED BY REFERENCE.....	4
MARKETING MATERIALS.....	6
STORAGEVAULT CANADA INC.....	6
SUMMARY DESCRIPTION OF THE BUSINESS	6
RECENT DEVELOPMENTS	7
CONSOLIDATED CAPITALIZATION.....	10
SELLING SHAREHOLDERS	11
DIVIDENDS	12
USE OF PROCEEDS	12
PLAN OF DISTRIBUTION.....	14
ELIGIBILITY FOR INVESTMENT	18
DESCRIPTION OF SHARE CAPITAL	19
PRIOR SALES	19
TRADING PRICE AND VOLUME	20
RISK FACTORS	20
RELATIONSHIP BETWEEN THE CORPORATION AND CERTAIN UNDERWRITERS.....	22
LEGAL PROCEEDINGS.....	23
AUDITOR, TRANSFER AGENT AND REGISTRAR.....	24
INTEREST OF EXPERTS.....	24
PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	24
CERTIFICATE OF THE CORPORATION AND THE SELLING SHAREHOLDERS.....	C-1
CERTIFICATE OF UNDERWRITERS	C-2

DEFINITIONS

In this short form prospectus, the terms set forth below have the meanings indicated:

“**ABCA**” means the *Business Corporations Act* (Alberta);

“**affiliate**” or “**associate**” when used to indicate a relationship with a person or company, has the meaning set forth in the *Securities Act* (Ontario);

“**AIF**” means the annual information form of the Corporation for the financial year ended December 31, 2016 dated June 27, 2017;

“**Board of Directors**” or “**Board**” means the board of directors of the Corporation, as constituted from time to time, including, where applicable, any committee thereof;

“**Common Shares**” means the common shares in the capital of the Corporation;

“**Corporation**” or “**StorageVault**” means StorageVault Canada Inc.;

“**GAAP**” means the generally accepted accounting principles in Canada of publically accountable enterprises as set by the Canadian Institute of Chartered Accountants and as permitted by National Instrument 52-107 *Financial Disclosure*, for the preparation of financial statements, which for Canadian reporting issuers is the International Financial Reporting Standards (“**IFRS**”), as in effect from time to time;

“**Options**” means the stock options to purchase Common Shares;

“**Preferred Shares**” means preferred shares in the capital of the Corporation;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

“**Sentinel Storage**” means Sentinel Self-Storage Corporation;

“**Series 1 Preferred Shares**” means the series 1 preferred shares in the capital of the Corporation;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as may be amended from time to time;

“**Underwriting Agreement**” means the Underwriting Agreement dated July 5, 2017 among the Corporation, the Selling Shareholders and the Underwriters;

“**Underwriters**” means collectively, National Bank Financial Inc., GMP Securities L.P., Cormark Securities Inc., Raymond James Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Canaccord Genuity Corp. and Industrial Alliance Securities Inc.; and

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this short form prospectus, and in certain documents incorporated by reference into this short form prospectus, constitute forward-looking statements and forward-looking information (collectively referred to herein as “**forward-looking statements**”) within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or the Corporation’s future performance. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this short form prospectus should not be unduly relied upon. These forward-looking statements speak only as of the date of this short form prospectus or as of the date specified in the documents incorporated by reference into this short form prospectus, as the case may be.

In particular, this short form prospectus, and the documents incorporated by reference herein, contain forward-looking statements, pertaining to the following:

- the Closing Date and the expected use of proceeds of the Offering;
- obtaining of all required regulatory approvals in connection with the Offering;
- StorageVault’s strategic objectives and focus;
- StorageVault’s acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- the expansion of certain of StorageVault’s portfolio of stores;
- potential growth and opportunities in the Canadian storage industry and potential factors in such growth and opportunities;
- StorageVault’s growth strategy, including the potential expansion of existing stores and its portable storage business;
- potential growth of StorageVault, including in respect of market share, margins and other financial metrics, and potential factors in such growth;
- potential acquisitions by StorageVault that have previously been announced by StorageVault, and closing dates for such acquisitions, including the Sentinel Storage Transaction, the \$8,600,000 Montreal Store Transaction and the \$5,825,000 Kamloops Store Transaction (all as defined herein);
- any potential acquisitions (an “**Access Transaction**”) that result from the Access Negotiations (as defined herein), including the magnitude of an Access Transaction;
- the issuance of Common Shares to satisfy a portion of the purchase price for the Sentinel Storage Transaction, the Montreal Store Transaction, the Kamloops Store Transaction and any Access Transaction;
- potential sources of financing for potential future growth and acquisitions;
- trends in the Canadian storage industry;
- the Corporation’s plans with respect to dividend payments and its dividend reinvestment plan (the “**DRIP**”);
- the ability to achieve an appropriate level of quarterly cash dividends;
- supply and demand for services;
- the Corporation’s ability to raise capital, including the issuance of equity or debt securities;
- the Corporation’s treatment under regulatory regimes and tax laws;
- the nature of contractual arrangements with third parties in respect of StorageVault’s business; and
- expected levels of operating costs, general administrative costs, costs of services and other costs and expenses.

Although the forward-looking statements contained in this short form prospectus are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this short form prospectus, the Corporation has made assumptions regarding, but not limited to:

- StorageVault’s ability to fulfil all of the conditions and obtain all of the approvals required in relation to the Offering;
- the successful negotiation and execution of purchase agreements in respect of potential acquisitions;
- StorageVault completing current and future acquisitions in a manner consistent with previous disclosure and consistent with past acquisitions;
- market acceptance of StorageVault’s future acquisitions and store expansions;
- market acceptance and receipt of approvals, including Board and acquisition committee approval, and TSX-V acceptance of the potential issuance of Common Shares for potential acquisitions and the closing of such potential acquisitions;
- the satisfactory fulfilment of all of the conditions precedent to any acquisitions;
- the ability of StorageVault to rely on exemptions from the formal valuation and minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) and TSXV Policy 5.9 in respect of any related party transactions;
- the completion of satisfactory due diligence by StorageVault in relation to the potential acquisitions;
- the value of the appraisals received for potential acquisitions;
- factors and trends in Canada’s storage industry being consistent with the past and projections for such growth;
- factors in StorageVault’s growth being consistent with the past and projections for such growth;
- the impact of increasing competition;
- receipt of regulatory approvals;
- the ability to obtain additional financing on satisfactory terms;
- the ability of StorageVault to successfully market its services; and
- the Corporation’s future debt levels.

The Corporation’s actual results could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth herein and in the documents incorporated by reference herein, including but not limited to:

- general business, economic, competitive, political and social uncertainties;
- general capital market conditions and market prices for securities;
- delay or failure to receive Board or regulatory approvals;
- the actual results of future operations;
- competition;
- changes in legislation, including environmental legislation, affecting StorageVault;
- the timing and availability of external financing on acceptable terms;
- conclusions of economic evaluations and appraisals;
- lack of qualified, skilled labour or loss of key individuals;
- changes in operating and capital costs;
- the availability of capital on acceptable terms;
- adverse claims made in respect of the Corporation’s properties or assets;
- failure to realize the anticipated benefits of recently completed acquisitions;
- discretion in the use of proceeds of the Offering; and
- other factors, many of which are beyond the control of the Corporation, which are discussed under the heading “*Risk Factors*” in this short form prospectus and under the heading “*Risk Factors*” in the AIF.

Forward-looking statements and other information contained herein concerning the storage industry in Canada and the Corporation’s general expectations concerning this industry are based on estimates prepared by management of the Corporation using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry, which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance

characteristics. While the Corporation is not aware of any material misstatements regarding any industry data presented herein, the storage industry involves numerous risks and uncertainties and is subject to change based on various factors.

Management of the Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this short form prospectus in order to provide shareholders with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes. The Corporation's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Corporation will derive therefrom.

Readers are cautioned that the foregoing list of important factors is not exhaustive and they should not unduly rely on the forward looking statements included in this short form prospectus or in any of the documents incorporated by reference herein. These forward-looking statements are made as of the date of this short form prospectus and the Corporation disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. All forward looking statements contained in this short form prospectus are expressly qualified by this cautionary statement. Readers should refer to the Corporation's filings under its SEDAR profile at www.sedar.com for further information about the factors affecting forward looking statements and management's assumptions and analysis thereof.

PRESENTATION OF FINANCIAL INFORMATION

Non-IFRS Financial Measures

This short form prospectus, including the documents incorporated by reference herein, refers to certain financial measures ("Non-IFRS Measures") that are not determined in accordance with GAAP, including IFRS. Investors are cautioned, however, that these measures should not be construed as alternatives to measures determined in accordance with GAAP and IFRS. StorageVault believes that these Non-IFRS Measures are useful supplemental measures as they facilitate an understanding of StorageVault's operating and financial performance. Management of the Corporation uses both IFRS and Non-IFRS Measures to assess the financial and operating performance of the Corporation's operations. These Non-IFRS Measures are not recognized measures under IFRS, do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other companies. StorageVault's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare operating budgets.

Conventions

All financial information herein has been presented in Canadian dollars and in accordance with GAAP.

NOTE TO READERS

Readers should rely only on the information contained in or incorporated by reference in this short form prospectus. None of the Corporation, the Selling Shareholders or the Underwriters have authorized any person to provide different information. The Offered Shares may be sold only in those jurisdictions where offers and sales are permitted under applicable laws. This short form prospectus is not an offer to sell or a solicitation of any offer to buy Offered Shares in any jurisdiction where it is unlawful to do so. The information contained in this short form prospectus is accurate only as of the date hereof, regardless of the time of delivery of this short form prospectus or of any sale of the Offered Shares.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with the securities commissions or similar authorities in each of the provinces of Canada, except Quebec (collectively, the "Commissions"). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation, at 100 Canadian Road, Toronto, Ontario M1R 4Z5, Telephone 1-877-622-0205, and are also available electronically on SEDAR at www.sedar.com.

The following documents of the Corporation are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

- (a) notice of meeting and management information circular of the Corporation dated May 5, 2016 regarding the annual general and special meeting of shareholders of the Corporation held on June 9, 2016, filed on SEDAR on May 10, 2016;
- (b) material change report dated March 27, 2017 with respect to entering into a share purchase agreement for the Sentinel Storage Transaction, filed on SEDAR on March 30, 2017;
- (c) audited annual consolidated financial statements of the Corporation as at and for the years ended December 31, 2016 and December 31, 2015, together with the notes thereto and the auditors' report thereon, filed on SEDAR on March 31, 2017;
- (d) management discussion and analysis of the Corporation for the year ended December 31, 2016, filed on SEDAR on March 31, 2017;
- (e) notice of meeting and management information circular of the Corporation dated April 21, 2017, regarding the annual general and special meeting of shareholders of the Corporation held on May 30, 2017, filed on SEDAR on May 1, 2017;
- (f) unaudited interim consolidated financial statements of the Corporation as at and for the three month period ended March 31, 2017, filed on SEDAR on May 1, 2017, excluding the wording on the cover page indicating that the Corporation's auditors have not performed of review of such financial statements;
- (g) management discussion and analysis of the Corporation for the three month period ended March 31, 2017, filed on SEDAR on May 1, 2017;
- (h) material change report dated June 8, 2017 with respect to the waiver of the conditions by the Corporation with respect to the Sentinel Storage Transaction, filed on SEDAR on June 8, 2017;
- (i) the term sheet with respect to the Offering, filed on SEDAR on June 28, 2017;
- (j) AIF, filed on SEDAR on June 29, 2017; and
- (k) a material change report dated June 29, 2017 with respect to the Offering, filed on SEDAR on July 4, 2017.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus including any material change reports (excluding confidential reports), interim financial statements, annual financial statements and the auditors' report thereon, management's discussion of financial conditions and results of operations, information circulars, annual information forms and business acquisition reports filed by the Corporation with the Commissions, subsequent to the date of this short form prospectus and prior to the termination of the distribution of the Offered Shares, shall be deemed to be incorporated by reference in this short form prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or

superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined under applicable Canadian securities laws) that are utilized by the Underwriters in connection with the Offering, are not part of this short form prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this short form prospectus. Any template version of any marketing materials filed after the date of this short form prospectus and before the termination of the distribution of the Offered Shares (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into this short form prospectus.

STORAGEVAULT CANADA INC.

StorageVault was incorporated on May 31, 2007 under the ABCA. The Corporation amalgamated with a wholly-owned subsidiary on January 1, 2013. On August 26, 2013, January 7, 2015 and August 27, 2015, the Corporation amended its articles to change the rights, privileges, restrictions and conditions of the Series 1 Preferred Shares.

The Corporation has four wholly-owned subsidiaries, namely: (i) CVL Properties Ltd. and 0804198 B.C. Ltd., both of which are bare trustees incorporated under the *Business Corporations Act* (British Columbia) and which hold property in relation to the September 11, 2015 \$52,500,000 acquisition by the Corporation of all of the self storage assets, property and business used in the operation of the four Greater Vancouver Area, British Columbia self storage stores previously owned by Storage For Your Life Solutions Inc. and Carousel Ventures Ltd.; and (ii) 5367540 Manitoba Ltd. and 5695954 Manitoba Ltd., both of which are bare trustees incorporated under the *Business Corporations Act* (Manitoba) and which hold property in relation to the March 31, 2017 \$22,000,000 acquisition by the Corporation of all of the storage assets, property and business used in the operation and business of five stores in the Prairies.

The Corporation’s head office is located at 100 Canadian Road, Toronto, Ontario, M1R 4Z5 and its registered office is located at 1000, 250 - 2nd Street S.W., Calgary, Alberta, T2P 0C1.

The Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador. The Common Shares are listed and posted for trading on the TSX-V under the trading symbol “SVI”.

SUMMARY DESCRIPTION OF THE BUSINESS

The Corporation’s primary business is owning, operating and renting self storage and portable storage space to individual and commercial customers.

StorageVault has 56 stores across Canada, operating under the Access Storage and Storage For Your Life brands, totaling 3,069,837 million square feet of rentable storage space comprised of 26,946 rental units.

StorageVault’s portable storage business operates across Canada under the Cubeit and PUPS brands. Of StorageVault’s rental units, 3,706 are portable storage units in service throughout Canada (120 of these units are operated under third party licensing agreements in British Columbia and the Maritimes).

StorageVault’s strategic objective is to own and operate self storage and portable storage in Canada’s top markets. The Corporation will focus on acquiring storage assets with strong existing cash flows, in strategic markets, preferably with excess land allowing for future development and expansion of StorageVault’s self and portable storage businesses. Financing for this growth is intended to come from a combination of free cash flow from operations, mortgage financing and the issuance of additional debt or equity securities.

In the normal course, StorageVault is engaged in discussions with respect to the possible acquisition and financing of new assets, and refinancing of existing assets. Some of these acquisitions and financings may involve the granting of security on existing assets and/or the issuance of equity. StorageVault expects to continue negotiations in respect of these matters and will actively pursue these and other opportunities as they become available. However, there can be no assurance that any of these discussions will result in definitive agreements and, if they do, what the terms or timing of any acquisition, financing or refinancing would be.

Further details concerning the Corporation, including information with respect to the Corporation's assets, operations and history, are provided in the AIF and other documents incorporated by reference into this short form prospectus. Readers are encouraged to review these documents as they contain important information about the Corporation. In particular, see "*General Development of the Business*" and "*Business of StorageVault*" in the AIF.

RECENT DEVELOPMENTS

Sentinel Storage Transaction

General

On March 22, 2017, the Corporation announced that it had entered into a share purchase agreement (the "**Share Purchase Agreement**") whereby StorageVault will purchase all of the issued and outstanding shares (the "**Sentinel Storage Shares**") of Sentinel Storage (the "**Sentinel Storage Transaction**") from an arm's length shareholder of Sentinel Storage (the "**Sentinel Vendor**"). The Sentinel Storage Transaction is not a "significant acquisition" for the Corporation for the purposes of Part 8 of National Instrument 51-102 *Continuous Disclosure Obligations*.

Description of Sentinel Storage

Sentinel Storage, a private Alberta corporation, is one of Canada's premier self storage portfolios and complements StorageVault's current operating platform. Sentinel Storage has 24 stores in British Columbia (3), Alberta (14), Manitoba (2), Ontario (3), Quebec (1) and Nova Scotia (1). The portfolio consists of over 72 acres of land, 1.5 million square feet and 16,000 units. The following is a list of properties to be acquired upon completion of the Sentinel Storage Transaction:

<u>Province</u>	<u>Property</u>
British Columbia	8866 Laurel Street, Vancouver 11151 Bridgeport Road, Richmond 195 Schoolhouse Street, Coquitlam
Alberta	355 MacAlpine Crescent Fort McMurray 410 Manning Road NE, Calgary 3000, 1800 - 194 Avenue SE, Calgary (50% interest) 2135 Pegasus Road NE, Calgary 5950 - 12 Street SE, Calgary 2 Bowridge Drive NW, Calgary 7725 - 112 Avenue NW, Calgary (50% interest) 5433 - 47 Street, Red Deer 11444 - 119 Street, Edmonton 9920 - 63 Avenue, Edmonton 21010 - 100 Avenue, Edmonton 9944 - 33 Avenue, Edmonton 5403 - 136 Avenue, Edmonton 6203 Andrews Loop SW, Edmonton (opened in January 2016)

<u>Province</u>	<u>Property</u>
Manitoba	11 Paramount Road, Winnipeg 3101 Pembina Highway, Winnipeg
Ontario	475 Harwood Avenue, North, Ajax 12230 Kennedy Road, Stouffville 3625 Ninth Line & Burnhamthorpe Road West, Mississauga (expected to open in August 2017)
Quebec	18970 Transcanada Hwy, Baie d'Urfe
Nova Scotia	231 Damascus Road, Bedford Halifax County

Rationale for the Sentinel Storage Transaction

The rationale for the Sentinel Storage Transaction includes the following:

- the Sentinel Storage Transaction is in line with the Corporation's growth strategy meeting the Corporation's acquisition objectives and metrics; and
- Sentinel Storage holds one of Canada's premier self storage portfolios, which will complement the Corporation's current operating platform by providing scale to markets the Corporation is currently operating in and seeks to operate in.

Share Purchase Agreement

The following is a summary of the material attributes and characteristics of the Share Purchase Agreement. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Share Purchase Agreement, which has been filed on SEDAR at www.sedar.com.

Consideration

The gross purchase price for the Sentinel Storage Shares is \$396,600,000, subject to customary adjustments, and is payable by the issuance of \$20,000,000 worth of Common Shares at a deemed price of \$1.70 per Common Share, with the remainder of the purchase price being paid with funds on hand and credit financing in such proportions to be determined at closing of the Sentinel Storage Transaction. The credit financing is expected to consist of: (i) a syndicated \$270,000,000 revolving credit facility relating to 20 of the Sentinel Storage properties that is expected to have a floating interest rate and an initial term of two years; (ii) first mortgage financing on two properties with a lender for \$37,000,000 that is expected to have an interest rate of approximately 4.00% and an expected term of three years; and (iii) debt assumption in the amount of approximately \$1,700,000 with a weighted average interest rate of 4.03% and a term of less than one year. See also "*Consolidated Capitalization*".

Representations and Warranties

The Share Purchase Agreement contains representations and warranties of Sentinel Vendor and the Corporation, several of which are qualified as to knowledge (after making inquiry into the relevant subject matter), materiality and disclosure. The Sentinel Vendor has provided representations and warranties in favour of the Corporation relating to the Sentinel Vendor and relating to Sentinel Storage. The representations and warranties of the Sentinel Vendor include, among other things, representations and warranties: (i) as to the Sentinel Vendor, with respect to authority and enforceability; and ownership of the Sentinel Storage Shares; and (ii) as to Sentinel Storage, with respect to organization; qualification to conduct its business; capitalization; financial condition and liabilities; no undisclosed liabilities; title to business assets; condition of assets; real and leased property; accounts receivable; inventories; material operating agreements; tax returns and taxes; financial security

arrangements; claims; insurance coverage; intellectual property rights; compliance with laws; no conflict or violation; employment and labour matters; employee benefit plans; third-party consents and approvals; customers; relationships with related persons; and disclosure. The representations and warranties will, subject to certain exceptions, survive closing for a period of two years.

Covenants

The Sentinel Vendor has made certain covenants regarding the Sentinel Storage Transaction and related matters, including covenants to provide access for additional due diligence, to conduct Sentinel Storage's business in the ordinary course, not to take certain corporate actions and to obtain third party consents. The Corporation has made certain covenants regarding the Sentinel Storage Transaction, including covenants to conduct its business in the ordinary course.

Conditions

On June 6, 2017, the Corporation announced that it has waived all of its due diligence conditions and all other initial conditions for the Sentinel Storage Transaction and that closing is anticipated to occur on or before August 4, 2017. The due diligence conditions were waived after StorageVault completed due diligence it considers customary in the context of self-storage acquisitions, which included retaining independent third party consultants to complete appraisals and environmental assessments of the properties to be acquired, none of which identified any material deficiencies with respect to the portfolio. StorageVault also completed independent property condition reports on 22 of the stores in the Sentinel Storage portfolio (independent property condition reports were not prepared for the Mississauga, Ontario property or the 6203 Andrews Loop SW, Edmonton, Alberta property) and no imminent or material repairs, or capital expenditures, outside of the ordinary course of business were anticipated or foreseen in such reports. The obligations of StorageVault and the Sentinel Vendor to complete the closing of the Sentinel Storage Transaction are subject to the satisfaction of other customary closing conditions for similar transactions, including obtaining third party consents and regulatory approvals.

Indemnification

The Sentinel Vendor has agreed to indemnify the Corporation for, among other things, breaches of its representations, warranties and covenants, certain claims against or relating to Sentinel Storage existing on the closing date and any environmental loss occurring prior to the closing date. The maximum aggregate liability of the Sentinel Vendor pursuant to the Share Purchase Agreement shall be limited to the purchase price, as adjusted pursuant to the Share Purchase Agreement, subject to a minimum threshold amount of \$150,000. The Corporation has also agreed to indemnify the Sentinel Vendor for, among other things, breaches of its representations, warranties and covenants.

Other Recent Developments

On May 1, 2017, the Corporation announced that its annual dividend would be increased by 2% commencing for the second quarter 2017 resulting in an annual dividend per share of \$0.0102 and a quarterly dividend per share of \$0.00255.

On May 17, 2017, the Corporation announced that it has entered into an asset purchase agreement, to purchase from an arm's length private vendor, for an aggregate purchase price of \$8,600,000, subject to customary adjustments, all of the storage assets, property and business used in the operation and business of one store in Montreal (the "**Montreal Store Transaction**"). Assuming all conditions in the purchase agreement are met or waived, it is anticipated that the closing of the acquisition will occur on or before August 15, 2017. The purchase price for the acquisition is \$8,600,000, subject to adjustments, and is payable by the issuance of \$500,000 of Common Shares at a price of \$2.50 per Common Share, with the remainder of the purchase price being satisfied with funds on hand and first mortgage financing.

On April 3, 2017, the Corporation entered into a purchase and sale agreement, as amended, with an arm's length purchaser with respect to the sale of certain lands and buildings owned by the Corporation located in Edmonton, Alberta for a purchase price of \$1,750,000, subject to customary adjustments. This transaction closed June 15, 2017.

On June 6, 2017, the Corporation announced that it has entered into an asset purchase agreement to purchase from arm's length private vendors for an aggregate purchase price of \$5,825,000, subject to customary adjustments, all of the storage

assets, property, leaseholds and business used in the operation and businesses of three stores in Kamloops (the “**Kamloops Store Transaction**”). Assuming all conditions in the purchase agreement are met or waived, it is anticipated that the closing of the acquisition will occur on or before August 15, 2017. The purchase price for the acquisition is \$5,825,000, subject to adjustments, and is payable by the issuance of \$950,000 of Common Shares based on the closing price per Common Share on the last trading day prior to the closing date, with the remainder of the purchase price being paid with funds on hand and first mortgage financing.

On June 23, 2017, StorageVault completed the acquisition of all of the storage assets, property and business used in the operation and business of one store in the Greater Montreal Area from a third party vendor. The purchase price was \$8,000,000 (subject to customary adjustments) and was paid with funds on hand.

On June 26, 2017, StorageVault announced that it is in negotiations to finalize a purchase agreement with Access Self Storage Inc. (“**Access**”) and two of Access’s subsidiaries to purchase six storage assets in Toronto, Ontario, and in multiple cities in Quebec and Nova Scotia for approximately \$34,200,000 (the “**Access Negotiations**”). Steven Scott, the Chief Executive Officer and a director of the Corporation, is also a director, officer and shareholder of Access; and Iqbal Khan, the Chief Financial Officer and a director of the Corporation, is also a director, officer and shareholder of Access. The purchase price for any agreement for an Access Transaction will be payable, subject to TSX-V acceptance, by the issuance of a minimum of 714,286 (\$2,000,000) Common Shares to a maximum of 2,678,571 (\$7,500,000) Common Shares a deemed price of \$2.80 per Common Share, with the remainder of the purchase price being paid with funds on hand and first mortgage financing. The transaction is expected to close on or around August 15, 2017. Currently, there are no agreements, letters of intent or term sheets in respect of an Access Transaction. If the Corporation enters into an agreement in relation to an Access Transaction, StorageVault will issue a news release disclosing further particulars of the transaction. Any Access Transaction would be a related party transaction and would be subject to applicable TSX-V rules and MI 61-101. There can be no assurance that any of these negotiations will result in definitive purchase agreements or a completed transaction.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at March 31, 2017 including after giving effect to the Offering, the Over-Allotment Option and the closing of previously announced acquisitions.

Designation	As at March 31, 2017 (unaudited)	As at March 31, 2017 after giving effect to the Offering (unaudited)	As at March 31, 2017 after giving effect to the Offering & exercise of the Over-Allotment Option (unaudited)	As at March 31, 2017 - <i>pro forma</i> after giving effect to the Offering & exercise of the Over-Allotment Option and the Previously Announced Acquisitions ⁽⁹⁾ (unaudited)
Mortgages⁽¹⁾				
Fixed Rate/Variable Rate	\$183,592,245	\$183,592,245	\$183,592,245	\$253,898,495
Lines of Credit and Promissory Note	\$47,058,426	\$27,305,832 ⁽²⁾	\$15,065,630 ⁽²⁾	\$285,065,630
Total:	\$230,650,671	\$210,898,077 ⁽²⁾	\$198,657,875 ⁽²⁾	\$538,964,125
Shareholder Capital⁽³⁾				
Common Shares (unlimited)	\$206,811,636 (299,770,751 Common Shares ⁽⁶⁾⁽⁷⁾⁽⁸⁾)	\$287,962,980 ⁽⁴⁾ (331,846,751 Common Shares ⁽⁶⁾⁽⁷⁾⁽⁸⁾)	\$300,203,182 ⁽⁵⁾ (336,658,151 Common Shares ⁽⁶⁾⁽⁷⁾⁽⁸⁾)	\$329,153,182 (351,661,959 Common Shares)

Notes:

- (1) Certain mortgages are granted as part of a number of credit agreements with various lenders.
- (2) StorageVault intends to use part of the net proceeds from the Offering to pay down amounts owing under the Corporation’s lines of credit (“**Lines of Credit**”) set forth in the above table (\$19,752,594 under the Offering; and \$31,992,796 under the Offering if the Over-Allotment Options is exercised). See “*Plan of Distribution*” and “*Use of Proceeds*”.

- (3) As at the date of this short form prospectus, there are 300,006,723 Common Shares outstanding.
- (4) Based on the issuance of 32,076,000 Treasury Shares for aggregate gross proceeds of \$85,001,400, less the Underwriters' Fee of \$3,400,056 and the Corporation's portion (\$450,000) of the estimated expenses of the Offering of \$550,000.
- (5) Based on the issuance set forth in Note 4 above and 4,811,400 Over-Allotment Shares from treasury for aggregate gross proceeds of \$12,750,210, less the Underwriters' Fee of \$510,008.
- (6) Does not include the 13,975,000 Options issued and outstanding as at the date of this short form prospectus, having a weighted average exercise price of \$0.88 per Common Share.
- (7) Does not include the 3,083,333 Common Share purchase warrants issued and outstanding as at the date of this short form prospectus, having exercise prices between \$0.35 and \$0.37 per Common Share.
- (8) For particulars of the rights, privileges, restrictions and conditions attached to the Common Shares, see "*Description of Share Capital*". For particulars of the issuances of Common Shares within the two preceding years, see "*Prior Sales*".
- (9) If the Sentinel Storage Transaction, the Montreal Store Transaction, the Kamloops Store Transaction and an Access Transaction all close, StorageVault estimates additional debt will be incurred in the amount \$308,700,000 (\$270,000,000 line of credit, \$38,700,000 mortgage), \$5,590,000 (mortgage), \$3,786,250 (mortgage) and \$22,230,000 (mortgage), respectively, on a *pro forma* basis as at March 31, 2017, and that the maximum amounts of Common Shares that would be issued would be 11,764,706 for the Sentinel Storage Transaction, 200,000 for the Montreal Store Transaction, 360,531 for the Kamloops Store Transaction (assuming a closing price of the Common Shares of \$2.635, which is the closing price of the Common Shares on the last trading day prior to the date hereof) and 2,678,571 for an Access Transaction, on a *pro forma* basis as at March 31, 2017.

SELLING SHAREHOLDERS

The following table sets out the shareholdings of the Selling Shareholders as of the date of this short form prospectus and as anticipated upon completion of the Offering and if the Over-Allotment Option is exercised in full:

<u>Name of Selling Shareholder</u>	<u>Number and Percentage of Common Shares Beneficially Owned, Controlled or Directed Prior to the Offering</u>	<u>Number and Percentage of Common Shares to be Sold Pursuant to the Secondary Offering (without exercise of Over-Allotment)</u>	<u>Number and Percentage of Common Shares to be Sold Pursuant to the Secondary Offering (assuming exercise of Over-Allotment)</u>	<u>Number and Percentage of Common Shares Beneficially Owned, Controlled or Directed Upon Completion of Offering & Exercise of the Over-Allotment Option</u>
SaskWorks Venture Fund Inc.	35,866,369 (11.96%) ⁽¹⁾⁽²⁾	12,063,650 (4.02%) ⁽¹⁾⁽³⁾	14,893,850 (4.96%) ⁽¹⁾⁽⁴⁾	20,972,519 (6.23%) ⁽⁵⁾
APEX II Investment Fund Limited Partnership	6,804,350 (2.27%) ⁽¹⁾⁽⁶⁾	6,804,350 (2.27%) ⁽¹⁾⁽⁷⁾	6,804,350 (2.27%) ⁽¹⁾⁽⁷⁾	Nil ⁽⁸⁾

Notes:

- (1) Before giving effect to the Offering and based on 300,006,723 Common Shares outstanding as at the date of this short form prospectus. On March 16, 2016, SaskWorks acquired 15,763,975 Common Shares and APEX II acquired 6,804,350 Common Shares.
- (2) 12.00% on a fully diluted basis (including the exercise of 2,177,998 Common Share purchase warrants held by SaskWorks (the "**SaskWorks Warrants**") and the exercise of 13,975,000 Options and 3,083,333 Common Share purchase warrants issued and outstanding as at the date of this short form prospectus for 317,065,056 fully diluted Common Shares as at the date of this short form prospectus (collectively, the "**SVI Convertible Securities**").
- (3) 3.80% on a diluted basis (including the exercise of the SVI Convertible Securities, but not including the exercise of the SaskWorks Warrants).
- (4) 4.70% on a diluted basis (including the exercise of the SVI Convertible Securities, but not including the exercise of the SaskWorks Warrants).
- (5) Based on 300,006,723 Common Shares outstanding as at the date of this short form prospectus and the issuance of 36,887,400 Treasury Shares on the Offering and the exercise of the Over-Allotment Option. 6.54% on a fully diluted basis. If the Over-Allotment Option is not exercised, the number and percentage of Common Shares owned or controlled by SaskWorks after the Offering is expected to be 23,802,719 Common Shares and 7.17% of the outstanding Common Shares, and 7.44% of the outstanding Common Shares on a fully diluted basis.
- (6) 2.25% on a fully diluted basis (including the exercise of 322,002 Common Share purchase warrants held by Apex II (the "**APEX II Warrants**") and the exercise of the SVI Convertible Securities).
- (7) 2.15% on a diluted basis (including the exercise of the SVI Convertible Securities, but not including the exercise of the APEX II Warrants).
- (8) 0.09% on a fully diluted basis.

DIVIDENDS

On April 18, 2016, the Board implemented a dividend policy (the “**Dividend Policy**”). Pursuant to the Dividend Policy, commencing at the end of the second quarter in 2016, the Corporation paid an annual aggregate dividend of \$0.01 per Common Share, payable quarterly in the amount of \$0.0025 per Common Share. Subject to approval by the Board, the record date for dividends is anticipated to be set as the last business day of March, June, September and December in each year and the payment date in each case is anticipated to be approximately two weeks from the record date. On May 1, 2017, the Corporation announced that its annual dividend would be increased by 2% commencing for the second quarter 2017 resulting in an annual dividend per share of \$0.0102 and a quarterly dividend per share of \$0.00255. The first dividend to which purchasers of the Offered Shares will be entitled to participate will be for the dividend expected to be payable on or about October 16, 2017 to holders of record on or about September 29, 2017.

The declaration and payment of future dividends and the amount of any such dividends will be subject to the determination of the Board, in its discretion, taking into account, among other things, business performance, financial condition, growth plans and expected capital requirements, statutory solvency tests, as well as any contractual restrictions on such dividends, including any agreements entered into with lenders to the Corporation. There can be no assurance that future dividends will be paid at the intended rate.

In conjunction with the implementation of the Dividend Policy, the Corporation also approved the adoption of the DRIP for holders of Common Shares. Under the terms of the DRIP, eligible registered holders of a minimum of 10,000 Common Shares may elect to automatically reinvest their cash dividends payable in respect to the Common Shares to acquire additional Common Shares, which will be issued from treasury or purchased on the open market. The Corporation may initially issue up to 5,000,000 Common Shares under the DRIP, which number may be increased upon Board approval and TSX-V acceptance of the increase, and upon public disclosure of the increase.

The following table shows the Corporation’s dividends declared for the past three financial years, as well as for the second quarter of 2017:

Dividend Record Date	Amount per Common Share (\$)
June 30, 2016	0.0025
September 30, 2016	0.0025
December 30, 2016	0.0025
March 31, 2017	0.0025
June 30, 2017	0.00255

USE OF PROCEEDS

The net proceeds to the Corporation from the Treasury Offering, prior to the exercise of the Over-Allotment Option, is estimated to be \$81,151,344 after deducting the Underwriters’ Fee of \$3,400,056 and the Corporation’s portion (\$450,000) of the estimated expenses of the Offering of \$550,000. If the Over-Allotment Option is exercised in full, the net proceeds from the Treasury Offering is estimated to be \$93,391,546 after deducting the Underwriters’ Fee of \$3,910,064 and the Corporation’s portion (\$450,000) of the estimated expenses of the Offering of \$550,000. See “*Plan of Distribution*”.

The net proceeds of the Secondary Offering to be received by the Selling Shareholders, prior to the exercise of the Over-Allotment Option, is estimated to be \$47,900,192 after deducting the Underwriters’ Fee of \$2,000,008 and the Selling Shareholders’ portion (\$100,000) of the estimated expenses of Offering of \$550,000. If the Over-Allotment Option is exercised in full, the net proceeds from the Secondary Offering is estimated to be \$55,100,221 after deducting the Underwriters’ Fee of \$2,300,009 and the Selling Shareholders’ portion (\$100,000) of the estimated expenses of the Offering of \$550,000. The Corporation will not receive any of the proceeds of the sale of Offered Shares by the Selling Shareholders in the Secondary Offering.

Principal Purposes

The Corporation intends to use the net proceeds of the Treasury Offering to pay: (i) down the debt incurred under the Lines of Credit owing to HSBC Bank Canada (“**HSBC**”), which is not a “connected issuer” to the Underwriters (as defined under applicable Canadian securities legislation), as well as to The Bank of Nova Scotia; (ii) a portion of the cash portion of the purchase price for each of the Sentinel Storage Transaction, the Montreal Store Transaction and the Kamloops Store Transaction; and (iii) a portion of the cash portions of the purchase price for future potential acquisitions, including an Access Transaction. See “*Recent Developments*”.

The indebtedness under the Lines of Credit with respect to the HSBC Facility Letter (as defined below) and the BNS Commitment Letter (as defined below) that the Corporation expects to pay down with a portion of the net proceeds of the Offering was incurred in relation to a portion of the purchase price for StorageVault stores located at, in relation to the HSBC Facility Letter: 91 Anne Street S., Barrie, Ontario; 14630-128 Avenue, Edmonton, Alberta; 37 Scott Street, Stratford, Ontario and 143 Frederick Street, Stratford, Ontario; 31 Griffith Road, Stratford, Ontario; and 879-891 Guelph Street, Kitchener Ontario; and in relation the BNS Commitment Letter: 143 Heart Lake Road, Brampton, Ontario; 137 Queens Plate Drive, Etobicoke, Ontario; and 37 John St., Mississauga, Ontario. The Line of Credit owing to HSBC is pursuant to facility letters with HSBC dated October 2, 2015, December 3, 2015 and April 25, 2015, all amended by a facility letter dated March 17, 2017 (collectively, the “**HSBC Facility Letter**”), that has available credit facilities in the amount of up to \$17,169,750 as at March 31, 2017. StorageVault is in compliance in all material respects with the terms and conditions of the HSBC Facility Letter. Since the date that the HSBC Facility Letter was established, the value of StorageVault’s assets has increased from \$108,865,822 to \$404,743,767 as at March 31, 2017. The HSBC Facility Letter is secured by a collateral first mortgage charge cross collateralized over multiple properties, site specific general security agreements over certain assets of StorageVault, an assignment of insurance and a general assignment of rents. See also “*Relationship Between The Corporation And Certain Underwriters*”.

Based upon management’s current intentions, the Corporation expects to use the net proceeds of the Treasury Offering as follows:

Principal Purpose	Use of Proceeds (without exercise of Over-Allotment Option)	Use of Proceeds (assuming exercise of Over-Allotment Option)
Repayment of debt incurred under Lines of Credit ⁽¹⁾	\$19,752,594	\$31,992,796
Fund cash portion of previously announced acquisitions ⁽²⁾	\$49,598,750	\$49,598,750
Potential future acquisition opportunities ⁽³⁾	\$11,800,000	\$11,800,000
Total	\$81,151,344	\$93,391,546

Notes:

- (1) Consisting of approximately: \$17,169,750 to HSBC and \$2,582,844 to The Bank of Nova Scotia if the Over-Allotment Option is not exercised; and \$17,169,750 to HSBC and \$14,823,046 to The Bank of Nova Scotia if the Over-Allotment Option is exercised.
- (2) Consisting of approximately: \$46,350,000 for the Sentinel Storage Transaction, \$2,260,000 for the Montreal Store Transaction and \$988,750 for the Kamloops Store Transaction.
- (3) Including an Access Transaction.

The anticipated use of proceeds is consistent with the Corporation’s business objective of owning and operating self storage and portable storage in the top markets in Canada as the retirement of debt would increase free cash flow and the acquisition of additional assets would increase the Corporation’s market presence. The Corporation does not believe that any specific significant event or milestone related to the use of the net proceeds of the Treasury Offering needs to occur for the Corporation to achieve its stated business objective. Additionally, due to the nature of the self storage industry, budgets are constantly reviewed in light of the acquisition opportunities which may become available to the Corporation. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. As a result, the actual amounts that the Corporation spends in connection with each of the intended use of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under “*Risk Factors*”.

Use of Proceeds from August 2016 Financing

On August 19, 2016, the Corporation completed a bought deal financing. A total of 67,647,600 common shares of the Corporation were issued at a price of \$0.85 per common share for gross proceeds of \$57,500,460, which included the exercise in full of the over-allotment option granted to the underwriters (the “**2016 Financing**”). The Corporation used the net proceeds of \$54,025,437 from the 2016 Financing as follows:

Principal Purpose (as stated in the short form prospectus from the 2016 Financing)	Original Estimated Use of Proceeds	Approximate Actual Use of Proceeds
	(\$)	(\$)
Fund cash portion of previously announced acquisitions	11,500,000	11,500,000
Repayment of debt incurred under the Credit Agreement, the Demand Revolving Loan and the Asset Swap Acquisition (each as defined in the short form prospectus from the 2016 Financing)	25,601,110	5,000,000
Potential future acquisition opportunities	16,924,327	16,924,327
Reallocated Funds from the 2016 Financing	N/A	20,601,110 ⁽¹⁾
Total	54,025,437	54,025,437

Note:

- (1) The Corporation applied the difference of the original estimated use of proceeds when compared to the approximate actual use of proceeds as follows: (i) \$14,101,110 towards the acquisition from Access (defined as the “Access Negotiations” in the short form prospectus for the 2016 Financing) of all of the storage assets, property and business used in three Montreal, Quebec area self storage stores and one Greater Toronto Area self storage store and portable storage assets, which closed on September 30, 2016 (the total purchase price for this acquisition was \$47,985,000); (ii) \$2,300,000 towards the acquisition of all of the self storage assets, property and business used in the operation of one Midland, Ontario area self storage store, which closed on December 15, 2016 (the total purchase price for this acquisition was \$2,300,000); and (iii) \$4,200,000 towards the acquisition of all of the storage assets, property and business used in the operation of two Moose Jaw, Saskatchewan area self storage stores, which closed on December 16, 2016 (the total purchase price for this acquisition was \$4,400,000).

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Corporation and the Selling Shareholders have agreed to sell an aggregate of 50,944,000 Offered Shares to the Underwriters at a price of \$2.65 per Offered Share and the Underwriters have severally agreed to purchase (or arrange for the purchase of) such Offered Shares on or about July 19, 2017 or such other dates as may be agreed to by the Corporation, the Selling Shareholders and the Co-Lead Underwriters, but in any event not later than August 2, 2017. Of the 50,944,000 Offered Shares being offered pursuant to this short form prospectus, 32,076,000 Offered Shares will be issued and sold by the Corporation in the Treasury Offering and 18,868,000 Offered Shares will be sold in the Secondary Offering by the Selling Shareholders. The Corporation will not receive any of the proceeds of the sale of Offered Shares by the Selling Shareholders.

Delivery of the Offered Shares is conditional upon payment on the Closing Date of \$2.544 per Offered Share by the Underwriters to the Corporation or the Selling Shareholders, as applicable. The Underwriting Agreement provides that the Underwriter will receive the Underwriters’ Fee of \$0.106 per Offered Share for an aggregate fee of \$5,400,064, which will be paid proportionately by the Corporation and the Selling Shareholders based upon the number of Offered Shares sold by each pursuant to the Offering in consideration for their services in connection with the Offering, provided, however, that the Underwriters’ Fee payable by the Corporation and the Selling Shareholders will be reduced to \$0.0795 per Offered Share (or 3.00%) on sales of Offered Shares (subject to a maximum of \$13,506,910 of aggregate gross proceeds for such sales, including the Over-Allotment Option, if exercised) made to the President’s List. The Corporation and the Selling Shareholders will also pay certain expenses incurred by the Underwriters in connection with the Offering as set forth in the

Underwriting Agreement which will be paid proportionately by the Corporation and the Selling Shareholders based upon the number of Offered Shares sold by each pursuant to the Offering. The terms of the Offering were determined by negotiation among the Corporation, the Selling Shareholders and the Co-Lead Underwriters on their own behalf and on behalf of the other Underwriters.

The Corporation and SaskWorks have granted the Underwriters an Over-Allotment Option, exercisable, in whole or in part at the sole discretion of the Underwriters, at any time and from time to time, until and including 30 days following the Closing Date, to purchase up to an additional 4,811,400 Common Shares from the Corporation on the same terms as the Treasury Offering for aggregate proceeds of up to \$12,750,210 and up to an additional 2,830,200 Common Shares from SaskWorks, on the same terms as the Secondary Offering, for aggregate proceeds of up to \$7,500,030, to cover over allotments, if any, and for market stabilization purposes. If the Underwriters exercise the Over-Allotment Option in full, the total Offering proceeds, Underwriters' Fee, net proceeds to the Corporation (after deducting the Corporation's portion (\$450,000) of the estimated expenses of the Offering of \$550,000) and net proceeds to the Selling Shareholders (after deducting the Selling Shareholders' portion (\$100,000) of the estimated expenses of the Offering of \$550,000) will be \$155,251,840, \$6,210,074, \$93,391,546 and \$55,100,221, respectively. This short form prospectus also qualifies the distribution of the Over-Allotment Option and the issuance and distribution of the Over-Allotment Shares issuable on exercise of the Over-Allotment Option. A purchaser who acquires common shares forming part of the Underwriters' over-allocation position acquires those common shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases, if applicable.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint nor joint and several and may be terminated at their discretion upon the occurrence of certain stated events. Such events include, but are not limited to: (i) (A) there should develop, occur or come into effect or existence, (1) any event, action, state or condition (including without limitation acts of war or of terrorism), or (2) any major event in the financial markets, in the case of either (1) or (2) of national or international consequence, or (B) any law or regulation is adopted or enacted, which, in the cases of either (A) or (B), in the opinion of such Underwriter, acting reasonably, materially adversely affects, or could reasonably be expected to materially adversely affect, the financial markets or the business, operations or affairs of StorageVault and its subsidiaries, taken as a whole; (ii) there shall occur any material change in the business, affairs, operations, prospects, assets, financial condition, liabilities or capital of StorageVault and its subsidiaries, taken as a whole, or there should be discovered any previously undisclosed material fact or new material fact or change in a material fact (other than a material fact relating solely to the Underwriters) which, in the opinion of such Underwriter, acting reasonably, materially adversely affects or could reasonably be expected to materially adversely affect the market price or value of the Offered Shares; or (iii) there shall occur any change in applicable securities laws, or if any enquiry, action, suit, investigation or other proceeding in relation to StorageVault or the Offering, is announced, instituted or threatened or any order is issued under or pursuant to any laws or regulations of Canada or of any of the offering jurisdictions or by the TSX-V or by any other regulatory or governmental authority (except for any such order based upon the activities or the alleged activities of the Underwriters and not of StorageVault) which, in the opinion of such Underwriter, acting reasonably and in good faith, operates to prevent or restrict the trading or distribution of the Offered Shares, or materially adversely affects or could reasonably be expected to materially adversely affect the market price or value of the Offered Shares.

If any one or more of the Underwriters shall not purchase its applicable percentage of the Offered Shares (the "**Defaulted Offered Shares**"), then the other Underwriters (the "**Continuing Underwriters**") shall have the right, but shall not be obligated, to purchase all of such Defaulted Offered Shares which would otherwise have been purchased by such defaulting Underwriters. The Continuing Underwriters exercising such right shall purchase such Defaulted Offered Shares pro rata to their respective percentages as set forth in the Underwriting Agreement or in such other proportions as they may otherwise agree. If no such right has been exercised and the number of Defaulted Offered Shares is 10% or less of the Offered Shares, the Continuing Underwriters will be obligated to purchase the Defaulted Offered Shares on the terms set out in the Underwriting Agreement in proportion to their obligations under the Underwriting Agreement. If the number of Defaulted Offered Shares exceeds 10% of the Offered Shares and the right to purchase the Defaulted Offered Shares, as described above, is not exercised, each of the Continuing Underwriters shall be relieved of all obligations to the Corporation under the Underwriting Agreement, upon submission to the Corporation of reasonable evidence of its ability and willingness to fulfil its obligations thereunder at the time of closing on the Closing Date. Notwithstanding the foregoing, nothing shall oblige the Corporation to sell to any or all of the Underwriters less than all of the aggregate amount of the Offered Shares or shall relieve any of the Underwriters in default thereunder from liability to the Corporation. The Underwriting Agreement also provides

that the Corporation and the Selling Shareholders will indemnify the Underwriters and their directors, officers, agents, shareholders and employees against certain liabilities and expenses.

The issued and outstanding Common Shares are listed on the TSX-V under the symbol "SVI". On June 27, 2017, the last trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX-V was \$2.78 per Common Share. On July 11, 2017, the last trading day prior to the date hereof, the closing price of the Common Shares on the TSX-V was \$ 2.60 per Common Share. The TSX-V has conditionally accepted the listing of the Treasury Shares and the Over-Allotment Shares that are issued by the Corporation on the TSX-V. The listing of the Treasury Shares and the Over-Allotment Shares that are issued by the Corporation will be subject to the Corporation fulfilling all of the listing requirements of the TSX-V.

The Underwriters propose to offer the Offered Shares initially at the offering price specified on the cover page of this short form prospectus. After the Underwriters have made a reasonable effort to sell all of the Offered Shares at the price specified on the cover page, the offering price may be decreased and may be further changed from time to time to an amount not greater than that set out on the cover page, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Offered Shares is less than the price paid by the Underwriters to the Corporation. Notwithstanding any reduction by the Underwriters in the offering price specified on the cover page, the proceeds received by the Corporation and the Selling Shareholders will not be affected.

Pursuant to policy statements of certain Canadian provincial securities commissions, the Underwriters may not, throughout the period of distribution of the Offered Shares, bid for or purchase Common Shares for their own account or for accounts over which they exercise control or direction. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. Such exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by Market Regulation Services Inc. relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution of the Offered Shares. Subject to applicable laws, pursuant to the first-mentioned exception, in connection with this Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

Storage Vault has agreed with the Underwriters not to issue or sell any Common Shares, securities or financial instruments, whether or not convertible or exchangeable into Common Shares, for a period of 90 days from the Closing Date, without the prior consent of the Lead Underwriters, such consent not to be unreasonably withheld or delayed, other than: (i) pursuant to the Sentinel Storage Transaction, the Montreal Store Transaction, the Kamloops Store Transaction and any Access Transaction; (ii) pursuant to acquisitions, subject to any person who receives securities from StorageVault pursuant to the acquisitions being locked up for a period of at least three months after close of the said acquisition or being subject to a four month restricted period pursuant to applicable securities laws; (iii) to satisfy existing instruments already issued as of the date hereof; (iv) options pursuant to the Corporation's stock option plan; (v) to satisfy obligations under the DRIP or stock option plan; or (vi) under any rights plan adopted from time-to-time by the Corporation. The Selling Shareholders have also agreed not to sell (or announce any intention to sell) any Common Shares or securities exchangeable or convertible into Common Shares for a period of 90 days from the Closing Date, without the prior consent of the Lead Underwriters, such consent not to be unreasonably withheld or delayed.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. The Offered Shares may not be offered, sold or delivered, directly or indirectly, within the United States (as such term is defined in Regulation S under the U.S. Securities Act), except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriting Agreement permits the Underwriters through their U.S. registered broker-dealer affiliates to offer and sell Offered Shares in the United States to "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act and similar exemptions under applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares or Over-Allotment Shares in the United States. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Offered Shares and Over-Allotment Shares outside of the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Offered Shares that are sold in the United States will be restricted securities within the meaning of Rule 144(a)(3) of the U.S. Securities Act.

In addition, until 40 days after the commencement of the Offering, any offer or sale of Offered Shares within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirement of the U.S. Securities Act if that offer or sale is made otherwise than in accordance with an applicable exemption from registration under the U.S. Securities Act.

Indemnity Agreement with the Selling Shareholders

The Corporation has entered into an agreement with the Selling Shareholders (the “**Indemnity Agreement**”) whereby the Corporation has agreed to indemnify each of the Selling Shareholders from and against all losses (other than losses of profit or other consequential damages in connection with the Offering), costs, expenses, claims, actions, damages and liabilities, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, commenced or threatened, and any and all reasonable expenses whatsoever in connection therewith (collectively, the “**Claims**”), to which they may become subject insofar as the Claims are caused by, result from, arise out of or are based upon, directly or indirectly:

- (a) any information or statement (except any information, statement or omission relating to the Selling Shareholders Matters (as defined herein) or relating to solely to the Underwriters, or any of them, provided in writing by the Underwriters) contained in this short form prospectus or in any certificate of the Corporation delivered pursuant to the Underwriting Agreement that at the time and in light of the circumstances under which it was made contains or is alleged to contain (i) a misrepresentation; or (ii) an untrue statement of a material fact or an omission to state a material fact that is required to be stated therein or that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (b) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any misrepresentation or alleged misrepresentation (except any information, statement or omission relating to the Selling Shareholders Matters or relating to solely to the Underwriters, or any of them, provided in writing by the Underwriters) contained in this short form prospectus, preventing or restricting the trading in or the sale or distribution of the Offered Shares in any jurisdiction;
- (c) the non-compliance or alleged non-compliance by the Corporation with applicable securities laws; or
- (d) any breach of or default under any covenants or agreements of the Corporation under the Underwriting Agreement.

The Selling Shareholders have agreed pursuant to the Indemnity Agreement severally and not jointly and severally to indemnify the Corporation from and against all Claims to which they may become subject insofar as the Claims are caused by, result from, arise out or are based upon, directly or indirectly:

- (a) any information or statement contained in the Selling Shareholders Matters relating to such Selling Shareholder contained in this short form prospectus or in any certificate of such Selling Shareholder delivered pursuant to the Underwriting Agreement that at the time and in light of the circumstances under which it was made contains or is alleged to contain (i) a misrepresentation; or (ii) an untrue statement of a material fact or an omission to state a material fact that is required to be stated therein or that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (b) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any misrepresentation or alleged misrepresentation contained in the Selling Shareholders Matters relating to such Selling Shareholder contained in this short form prospectus, preventing or restricting the trading in or the sale or distribution of the Offered Shares in any jurisdiction;
- (c) the non-compliance or alleged non-compliance by such Selling Shareholder with applicable securities laws; or
- (d) any breach of or default under any covenants or agreements of such Selling Shareholder under the Underwriting Agreement.

Provided that: (a) an indemnifying party shall not be liable under the Indemnity Agreement for any settlement of any action effected without its written consent, which consent shall not be unreasonably withheld or delayed; (b) the indemnity provided for in the Indemnity Agreement to the indemnified party shall not apply to any Claims to the extent arising out of an untrue statement or omission of material fact or alleged untrue statement or omission of material fact (i) made in reliance upon and in conformity with written information furnished to the Corporation or the Selling Shareholders by an Underwriter for the express use in this short form prospectus, or (ii) contained in this short form prospectus if any Underwriter failed to send or deliver a copy of this short form prospectus to the person asserting such Claims on or prior to such delivery of written confirmation of any sale of securities covered thereby to such person in any case where such short form prospectus corrected such untrue statement or omission; and (c) no indemnified party shall be entitled to indemnification or contribution under the Indemnity Agreement to the extent the Claim to which the indemnification or contribution obligation resulted from the gross negligence or willful misconduct of the indemnified party.

“**Selling Shareholders Matters**” means, collectively, the sections in this short form prospectus entitled “Selling Shareholder” and “Plan of Distribution” to the extent such sections relate to SaskWorks or APEX II or both of them, and any other information to extent it relates to the Selling Shareholders and furnished by them or PFM Capital (2010) Inc., PFM Venture Capital Operations Inc. or PFM Fund Operations Inc. in writing (in their capacity as the Selling Shareholders) for use in this short form prospectus.

Book-Based System

Subscriptions for Offered Shares and Over-Allotment Shares will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is expected that closing will occur on or about July 19, 2017, or such other date as may be agreed upon by the Corporation and the Co-Lead Underwriters, but in any event not later than August 2, 2017. Except in certain limited circumstances: (i) the Offered Shares will be issued and deposited in electronic form with CDS or its nominee as non-certificated inventory pursuant to the book-based system administered by CDS; (ii) no certificates evidencing the Offered Shares will be issued to purchasers of Offered Shares, unless specifically requested, as provided for below; and (iii) purchasers of Offered Shares will only receive a customer confirmation from the Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased. Purchasers who are not issued a certificate evidencing the Offered Shares which are subscribed for by them on the Closing Date are entitled under the ABCA to request that a certificate be issued in their name. Such a request will need to be made through the CDS participant through whom the beneficial interest in the securities are held at the time of the request.

ELIGIBILITY FOR INVESTMENT

In the opinion of DLA Piper (Canada) LLP, counsel to the Corporation, and Goodmans LLP, counsel to the Underwriters, the Offered Shares will be qualified investments under the Tax Act at the time of their acquisition by a trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), deferred profit sharing plan, registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”) or tax-free savings account (“**TFSA**”) (each, an “**Exempt Plan**”) provided that, at the time of the acquisition by the Exempt Plan, the Offered Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSX-V).

Notwithstanding that the Offered Shares may be qualified investments for a trust governed by a RRSP, RRIF or TFSA, the annuitant under a RRSP or RRIF or the holder of a TFSA, as applicable, will be subject to a penalty tax if such Offered Shares are a “prohibited investment” as defined in the Tax Act for the RRSP, RRIF or TFSA. The Offered Shares will not, as of the date hereof, be a “prohibited investment” for trusts governed by a RRSP, RRIF or TFSA unless the annuitant under the RRSP or RRIF or the holder of the TFSA, as applicable, (i) does not deal at arm’s length with the Corporation for purposes of the Tax Act, or (ii) has a “significant interest” as defined in the Tax Act in the Corporation. In addition, the Offered Shares will not be a “prohibited investment” if the Offered Shares are “excluded property” as defined in the Tax Act for such TFSA, RRSP or RRIF. If certain proposed amendments to the Tax Act announced on March 22, 2017 are enacted as proposed, the prohibited investment rules will extend to trusts governed by an RESP or RDSP.

Prospective holders who intend to hold Offered Shares in an Exempt Plan should consult their own tax advisers regarding whether the Offered Shares will be a “prohibited investment” in their particular circumstances.

DESCRIPTION OF SHARE CAPITAL

Authorized Shares

The Corporation is authorized to issue an unlimited number of Common Shares, an unlimited number of Preferred Shares, issuable in series, and an unlimited number of Series 1 Preferred Shares, of which, as at the date hereof, 300,006,723 Common Shares are issued and outstanding as fully paid and non-assessable. As of December 31, 2016, 289,809,668 Common Shares were issued and outstanding. As at the date hereof and as of December 31, 2016, no Preferred Shares and no Series 1 Preferred Shares are, or were, issued or outstanding.

Common Shares

The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, to dividends if, as and when declared by the directors, to one vote per share at meetings of the holders of Common Shares and, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares.

Preferred Shares

The Corporation is also authorized to issue an unlimited number of Preferred Shares. The Preferred Shares may be issued in one or more series, and the directors are authorized to fix the number of shares in each series, and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The Preferred Shares are entitled to a priority over the Common Shares with respect to the payment of dividends and the distribution of assets upon the liquidation of the Corporation.

PRIOR SALES

The following table summarizes the issuances of Common Shares or securities convertible into Common Shares for the 12 month period prior to the date hereof.

<u>Description of Security</u>	<u>Date Issued</u>	<u>Number of Securities Issued</u>	<u>Issuance/Exercise Price Per Security (\$)</u>
Common Shares	July 15, 2016	195,833 ⁽⁴⁾	0.7621
Common Shares	August 19, 2016	67,647,600 ⁽¹⁾	0.85
Common Shares	August 22, 2016	166,667 ⁽²⁾	0.80
Common Shares	September 30, 2016	7,954,545 ⁽²⁾	0.88
Common Shares	October 13, 2016	18,000 ⁽³⁾	0.40
Common Shares	October 14, 2016	149,871 ⁽⁴⁾	1.1885
Common Shares	October 17, 2016	12,500,000 ⁽²⁾	0.80
Common Shares	November 18, 2016	18,000 ⁽³⁾	0.40
Common Shares	December 16, 2016	162,602 ⁽²⁾	1.23
Options	December 21, 2016	3,000,000	1.36
Common Shares	December 22, 2016	25,000,000 ⁽²⁾	1.20
Common Shares	January 16, 2017	195,770 ⁽⁴⁾	1.4804
Common Shares	March 1, 2017	481,000 ⁽³⁾	0.20, 0.23, 0.33, 0.41 and 0.50
Common Shares	March 8, 2017	45,000 ⁽³⁾	0.50 and 1.36
Options	March 16, 2017	3,000,000	1.78
Common Shares	March 31, 2017	6,470,588 ⁽²⁾	1.70
Common Shares	March 31, 2017	2,666,667 ⁽²⁾	1.50
Common Shares	March 31, 2017	147,058 ⁽²⁾	1.70
Common Shares	April 17, 2017	28,370 ⁽⁴⁾	2.2928

Notes:

(1) Issued pursuant to a bought deal financing.

- (2) Issued pursuant to an asset acquisition.
- (3) Issued pursuant to an exercise of Options.
- (4) Issued pursuant to the DRIP.

TRADING PRICE AND VOLUME

Common Shares

The Common Shares are listed and posted for trading on the TSX-V under the symbol “SVI”. The following table sets out the price range (monthly high and low prices) of the Common Shares and consolidated volumes traded on the TSX-V for the periods indicated (as reported by the TSX-V).

Period	High (\$)	Low (\$)	Volume
2016			
July	1.05	0.75	314,420
August	0.99	0.86	4,195,650
September	1.31	0.91	6,772,455
October	1.38	1.18	5,773,736
November	1.30	1.15	2,481,802
December	1.49	1.18	4,633,685
2017			
January	1.60	1.45	7,059,437
February	1.77	1.52	5,467,627
March	2.27	1.64	18,094,180
April	2.66	2.13	18,627,529
May	2.50	2.01	8,760,974
June	2.85	2.46	7,292,256
July (1-11)	2.64	2.56	1,720,337

RISK FACTORS

An investment in the Offered Shares or Over-Allotment Shares, as applicable, is speculative due to the nature and stage of development of the Corporation’s business.

The Corporation continually works to identify and evaluate significant risks and to develop and maintain appropriate strategies to mitigate the impact of potential risks to its business. The Corporation’s approach to risk management is integrated into its overall approach to decision making (both formal and informal) and also includes formal risk reviews with respect to certain matters. The summary provided below describes the main risks known to the Corporation and also identifies some of the steps that the Corporation takes to mitigate these identified risks.

All statements regarding the Corporation’s business should be viewed in light of these risk factors. Investors should consider carefully whether an investment in the Offered Shares or Over-Allotment Shares is suitable for them in light of the information in this short form prospectus and in the documents incorporated by reference herein and their personal circumstances. If any of the identified risks were to materialize, the Corporation’s business, financial position, results and/or future operations may be materially affected.

Readers should carefully consider all of the information set out in this short form prospectus and in documents incorporated by reference herein and the risks accompanying an investment in the Corporation including in particular, but not limited to, the factors set out below and under the heading “Risk Factors” in the AIF, before making an investment decision. Readers are cautioned that this summary of risks may not be exhaustive, as there may be risks that are unknown and other risks that may pose unexpected consequences. Further, many of the risks are beyond the Corporation’s control and, in spite of the Corporation’s active management of its risk exposure, there is no guarantee that these risk management activities will successfully mitigate such exposure.

Offering Risk Factors

Use of Proceeds of the Offering

As set out under the heading “*Use of Proceeds*” in this short form prospectus, the Corporation intends to use the net proceeds from the Offering to pay down debt incurred under the Lines of Credit, to fund the cash portion of previously announced acquisitions, and for future acquisitions. Although these approximate allocations of the expenditures are based on the current expectation of management of the Corporation, there may be circumstances that are not known at this time where a reallocation of the net proceeds of the Offering or a change in the timing of the particular expenditure may be advisable for business reasons that management believes are in the Corporation’s best interests.

Risks Relating to Previously Announced Acquisitions

Completion of the Corporation’s previously announced acquisitions is subject to the satisfaction of customary closing conditions and, in the case of the Access Negotiations, the entering into of definitive documentation. Although the parties are proceeding diligently with the fulfillment of all closing conditions and the drafting of definitive documentation, there is no certainty that these closing conditions can be satisfied or documentation completed. Failure to complete the previously announced acquisitions may result in significant dilution to the Corporation’s earnings per share if suitable acquisition replacements are not identified and completed and may have a material adverse impact on the Corporation or the value or trading price of the Common Shares. Completion of the Offering is not conditional on completion of the previously announced acquisitions.

Although the Corporation has conducted what it believes to be a prudent and thorough level of investigation in connection with the previously announced acquisitions, an unavoidable level of risk remains regarding any undisclosed or unknown liabilities of, or issues concerning, the entities or businesses to be acquired. Following completion of the previously announced acquisitions, the Corporation may discover that it has acquired substantial undisclosed liabilities, including environmental liabilities. The indemnities contained in the applicable purchase agreements may not provide the Corporation with sufficient protection against a breach of the sellers’ representations, warranties and covenants and certain of the sellers’ indemnification obligations under the purchase agreements are subject to limitations or caps.

All information relating to Sentinel Storage and the other assets to be acquired has been provided to StorageVault by the vendors of such assets. While StorageVault has no reason to believe that the information provided to it by third parties is misleading, untrue or incomplete in any material respect, neither StorageVault nor the Underwriters can assure the accuracy or completeness of such information nor can they compel the sellers or other third parties to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to StorageVault or the Underwriters. The sellers of the assets or securities to be acquired by the Corporation in connection with the previously announced acquisitions have not reviewed the disclosure in this short form prospectus relating to such acquisitions, and have not certified that such disclosure represents full, true and plain disclosure and that the disclosure does not contain a misrepresentation. The sellers, who will indirectly receive a significant portion of the net proceeds of the Treasury Offering, will have no liability to purchasers of Offered Shares pursuant to this Offering if the disclosure relating to the previously announced acquisitions contains a misrepresentation.

The Corporation believes there are business improvements that it can implement with respect to assets to be acquired in connection with the previously announced acquisitions, which underlies the Corporation’s current expectations regarding the future performance of these assets. There are no assurances that such improvements can be implemented or that they will be effective. The future performance of these improvements may be influenced by, among other factors, economic downturns, regulatory changes, significant losses and other factors beyond the Corporation’s control. As a result of any one or more of these factors, the operations and financial performance of these assets may not achieve the levels that the Corporation is expecting, which may adversely affect the Corporation’s financial results.

Forward-Looking Statements May Prove to be Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could

cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this short form prospectus under the heading “*Special Note Regarding Forward-Looking Statements*”.

Market Price

A publicly-traded company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Common Shares will trade cannot be predicted. The market price of the Common Shares could be subject to significant fluctuations in response to variations in quarterly operating results, dividends and other factors. The annual yield on the Common Shares as compared to the annual yield on other financial instruments may also influence the price of Common Shares in the public trading markets.

An increase in market interest rates may lead purchasers of Common Shares to demand a higher annual yield and this could adversely affect the market price of the Common Shares. In addition, the market price for the Common Shares may be adversely affected by changes in general market conditions, fluctuations in the market for equity or debt securities and numerous other factors that are beyond the control of the Corporation.

Future Sales or Issuances of Securities

The Corporation may sell Common Shares or other securities in subsequent offerings. The Corporation may also issue additional securities to finance future activities. The Corporation cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect the prevailing market price of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

RELATIONSHIP BETWEEN THE CORPORATION AND CERTAIN UNDERWRITERS

BMO Nesbitt Burns Inc., CIBC World Markets Inc. and Scotia Capital Inc. are each affiliates of financial institutions, respectively, that are lenders to StorageVault, along with other lenders. In addition, National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., Raymond James Ltd. and CIBC World Markets Inc. are each affiliates of financial institutions that have committed to provide StorageVault with debt financing in connection with the Sentinel Storage Transaction. Consequently, StorageVault may be considered to be a “connected issuer” of each the Underwriters listed above under applicable Canadian securities legislation. StorageVault intends to use a portion of the net proceeds of the Offering to repay existing indebtedness under the Lines of Credit and such amount will then be available to be drawn by StorageVault under the Lines of Credit, as required, for general corporate purposes. See “Use of Proceeds”.

An affiliate of BMO Nesbitt Burns Inc. is an investor in APEX II and will receive a portion of the net proceeds of the Offering based on its pro rata ownership interest in such funds. Consequently, APEX II is a “connected issuer” of BMO Nesbitt Burns Inc. under applicable Canadian securities laws. The decision to sell the Offered Shares and the determination of the terms of the Secondary Offering, including the price of the Offered Shares to be sold by APEX II, was made through negotiations between the Selling Shareholders and the Underwriters with reference to prevailing market conditions. APEX II, together with its affiliates, has full decision-making authority over all of its investments, including decisions with respect to the Offered Shares. The affiliate of BMO Nesbitt Burns Inc. did not have any involvement in the decision to sell the Offered Shares or in the negotiation of the terms of the Secondary Offering.

Pursuant to a third amended and restated credit agreement dated July 31, 2015, as amended (collectively, the “**BMO Credit Agreement**”), with the Bank of Montreal, StorageVault has available credit facilities in the amount of up to \$41,767,336 as at March 31, 2017. StorageVault is in compliance in all material respects with the terms and conditions of the BMO Credit Agreement. Since the date that the BMO Credit Agreement was established, the value of StorageVault’s assets has increased from \$54,449,748 to \$404,743,767 as at March 31, 2017. The BMO Credit Agreement is secured by a site specific general security agreement over certain assets, a debenture charge on portable storage units and a general assignment of leases and rents.

Pursuant to a credit agreement dated May 9, 2016 (the “**2016 CIBC Credit Agreement**”), with Canadian Imperial Bank of Commerce, StorageVault has available credit facilities in the amount of up to \$5,248,912 as at March 31, 2017. StorageVault is in compliance in all material respects with the terms and conditions of the 2016 CIBC Credit Agreement. Since the date that the 2016 CIBC Credit Agreement was established, the value of StorageVault’s assets has increased from \$176,728,097 to \$404,743,767 as at March 31, 2017. The 2016 CIBC Credit Agreement is secured by a demand debenture, a site specific general security agreement over certain assets of StorageVault, an assignment of insurance and a general assignment of leases and rents.

Pursuant to a credit agreement dated March 14, 2017 (the “**2017 CIBC Credit Agreement**”), with Canadian Imperial Bank of Commerce, StorageVault has available credit facilities in the amount of up to \$12,969,242 as at March 31, 2017. StorageVault is in compliance in all material respects with the terms and conditions of the 2017 CIBC Credit Agreement. When the 2017 CIBC Credit Agreement was established, the value of StorageVault’s assets was \$404,743,767 as at March 31, 2017. The 2017 CIBC Credit Agreement is secured by a collateral first mortgage charge cross collateralized over multiple properties, a site specific general security agreement over certain assets of StorageVault, an assignment of insurance and a general assignment of leases and rents.

Pursuant to a commitment letter dated March 14, 2017, replacing a commitment letter dated December 20, 2016, which replaced a commitment letter dated December 23, 2015 (the “**BNS Commitment Letter**”), with The Bank of Nova Scotia, StorageVault has available credit facilities in the amount of up to \$48,005,865 as at March 31, 2017. StorageVault is in compliance in all material respects with the terms and conditions of the BNS Commitment Letter. Since the date of the first BNS Commitment Letter, the value of StorageVault’s assets has increased from \$108,865,822 to \$404,743,767 as at March 31, 2017. The BNS Commitment Letter is secured by a demand debenture and a general assignment of rents.

The decision to distribute the Offered Shares and the determination of the terms of distribution of the Offered Shares, including the price of the Offered Shares, was made through negotiations between StorageVault and the Underwriters with reference to prevailing market conditions without involvement of their affiliated lending institutions. As a consequence of the Offering, it is anticipated that The Bank of Nova Scotia will receive a portion of the proceeds from the Offering from StorageVault as a repayment of outstanding indebtedness under the BNS Commitment Letter. See “*Use of Proceeds*”.

In the ordinary course of their various business activities, the Underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for its own account and for the accounts of its customers, and such investment and securities activities may involve securities of the Corporation or its affiliates, including the Common Shares. If the Underwriters or their affiliates have a lending relationship with the Corporation, they routinely hedge their credit exposure to the Corporation consistent with their customary risk management policies. The Underwriters and their affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Corporation or its affiliates, including the Common Shares. Any such short positions could adversely affect future trading prices of the Common Shares. The Underwriters and certain of their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of the Common Shares and may at any time hold, or recommend to clients that it acquires, long and/or short positions in the Common Shares.

LEGAL PROCEEDINGS

There are no outstanding legal proceedings material to the Corporation to which the Corporation, or any of its respective properties are subject, nor are there any such proceedings known to be contemplated. For the purposes of the foregoing, a legal proceeding is not considered to be “material” by the Corporation if it involves a claim for damages and the amount involved, exclusive of interest and costs, does not exceed 10% of the Corporation’s current assets, provided that if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the Corporation has included the amount involved in the other proceedings in computing the percentage. See “*Risk Factors*”.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The independent auditor of the Corporation is MNP LLP, 1500, 640 - 5th Avenue SW Calgary, ABT2P 3G4.

The transfer agent and registrar for the Common Shares is TSX Trust Company at its principal office in Calgary, Alberta.

INTEREST OF EXPERTS

Certain legal matters relating to the Offering under Canadian law will be passed upon by DLA Piper (Canada) LLP on behalf of the Corporation, MLT Aikins LLP on behalf of the Selling Shareholders and by Goodmans LLP on behalf of the Underwriters. As at the date hereof, the partners and associates of each of DLA Piper (Canada) LLP, Goodmans LLP and MLT Aikins LLP, as respective groups, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

MNP LLP are the auditors of the Corporation and have confirmed with respect to the Corporation, that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces of Canada provide purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. Applicable securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION AND THE SELLING SHAREHOLDERS

Date: July 12, 2017

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation in each of the provinces of Canada, other than Quebec.

STORAGEVAULT CANADA INC.

(signed) "Steven Scott"

Steven Scott

Chief Executive Officer and Chairman

(signed) "Iqbal Khan"

Iqbal Khan

Chief Financial Officer

(signed) "Alan A. Simpson"

Alan A. Simpson

Director

(signed) "Blair Tamblyn"

Blair Tamblyn

Director

SASKWORKS VENTURE FUND INC.

(signed) "Randy Beattie"

Randy Beattie

President and Chief Executive Officer

(signed) "Rob Duguid"

Rob Duguid

Vice President, CFO and Corporate
Secretary

APEX II INVESTMENT FUND LIMITED PARTNERSHIP, by its general partner, APEX II Investment GP Inc.

(signed) "Randy Beattie"

Randy Beattie

President and Chief Executive Officer

(signed) "Rob Duguid"

Rob Duguid

Vice President

CERTIFICATE OF UNDERWRITERS

Date: July 12, 2017

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Quebec.

NATIONAL BANK FINANCIAL INC.

(signed) "Andrew Wallace"

Andrew Wallace
Managing Director, Investment Banking

GMP SECURITIES L.P.

(signed) "Andrew Kiguel"

Andrew Kiguel
Managing Director, Investment Banking

CORMARK SECURITIES INC.

(signed) "Chris Shaw"

Chris Shaw
Managing Director, Investment Banking

RAYMOND JAMES LTD.

(signed) "Lucas Atkins"

Lucas Atkins
Managing Director, Investment Banking

BMO NESBITT BURNS INC.

(signed) "David Goldstein"

David Goldstein
Director

CIBC WORLD MARKETS INC.

(signed) "Jeff Appleby"

Jeff Appleby
Managing Director, Investment Banking

SCOTIA CAPITAL INC.

(signed) "Bryce Stewart"

Bryce Stewart
Managing Director, Investment Banking

TD SECURITIES INC.

(signed) "Derek Dermott"

Derek Dermott
Managing Director

CANACCORD GENUITY CORP.

(signed) "Dan Sheremeto"

Dan Sheremeto
Managing Director, Investment Banking

**INDUSTRIAL ALLIANCE SECURITIES
INC.**

(signed) "Fred Westra"

Fred Westra
Senior Vice-President, Managing Director &
Head of Capital Markets