

TSX VENTURE EXCHANGE INC.

NOTICE OF APPROVAL

AMENDMENTS TO TSX VENTURE EXCHANGE RULE BOOK

Introduction

TSX Venture Exchange Inc. (“TSXV”) has adopted, and the Alberta Securities Commission and British Columbia Securities Commission have approved, amendments (the “Amendments”) to the TSX Venture Exchange Rule Book (the “Rules”) to reflect enhancements to the Market on Close (“MOC”) facility operated by TSXV. The Amendments are public interest amendments to the Rules. The Amendments were published for public comment in a request for comments on June 30, 2016 (the “Request for Comments”).

Reasons for the Amendments

The Amendments are being made to reflect the following changes:

1. A second MOC imbalance will be calculated and broadcast in the event of a delay of the closing call due to the invocation of the price movement extension (“PME”).
2. Following the broadcast of the second MOC imbalance, MOC limit orders may be entered in the MOC book on the opposite side of the second MOC imbalance.
3. MOC limit orders that are not included in the first MOC imbalance may be cancelled subject to the time constraints set by TSXV.*

The Amendments were developed in consultation with the MOC user community to address certain functionality deficiencies related to the PME. The Amendments will improve the ability of participants to offset MOC imbalances during a PME session. This will, in turn, help reduce the price volatility of MOC securities in closing calls that are delayed due to a PME. In addition, permitting participants to cancel MOC limit orders submitted during the PME will make the MOC facility functionality consistent as between the 3:40 to 4:00 p.m. time period (the “MOC imbalance market state”) and the PME session.

Summary of Comments and Text of the Final Amendments

No MOC limit orders that are not included in the second MOC imbalance may not be cancelled. Only offsetting MOC limit orders entered between 4:00 and 4:10 p.m. may be cancelled.

Effective Date

The Amendments will become effective on November 21, 2016.

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