

TSX VENTURE EXCHANGE INC.

NOTICE OF PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS

TSX Venture Exchange Inc. ("TSXV") is publishing this Notice of Proposed Amendments and Request for Comments. The Amendments (as defined below) will be implemented following receipt of approval by the British Columbia Securities Commission and Alberta Securities Commissions (collectively, the "Commissions ") following public notice and comment.

Market participants are invited to provide comments on the proposed changes. Comments should be in writing and delivered by December 7, 2020 to:

Denno Chen
Director, Regulatory Affairs
TMX Group
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3
Vancouver, British Columbia V7Y 1L2
Email: dmackay@bcsc.bc.ca

Comments will be made publicly available unless confidentiality is requested. Upon completion of the review by staff at the Commissions, and in the absence of any regulatory concerns, a notice will be published to confirm the Commissions' approval.

Proposed Amendment to the TSXV Rulebook, an incoming attributed order from a broker will automatically be matched with another attributed order from the same broker on TSXV at the top price level regardless of its position in the order book ("Broker Preferencing "). Brokered orders (i.e. orders from the order book) proposing the Amendments as a result of client demand, for consistency with other Canadian exchanges that offer similar functionality, and enhance our competitiveness.

Expected Date of Implementation

The Amendments will be implemented following receipt of regulatory approval, and TSXV anticipates implementing the Amendments as early as Q1 2021.

Expected Impact

TSXV does not expect any material impact on market structure, members, investors, issuers or the capital markets as other Canadian marketplaces already offer Broker Preferencing for unattributed dark orders. TSXV anticipates a minor positive impact for some members and investors in that they could further benefit from reduced intermediation on their unattributed dark orders. TSXV anticipates that the Amendments will increase execution quality and lower trade costs.

Expected Impact of the Amendments on TSXV's Compliance with Applicable Securities Law

The Amendments will not impact TSXV

RULE A. 1.00 – INTERPRETATION

A1.01 – Definitions

In these rules unless the context otherwise requires:

[...]

“unattributed order” means an order ~~which is displayed~~ in the Book without the Member’s trading number.

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[...]

C.2.06 – Allocation of Trades

[...]

- (3) Subject to Rule C.2.01(1), Rule C.2.01(2), and any conditions imposed on either the tradeable order or the offsetting order that would otherwise prevent the two orders from executing against each other, a tradeable order that