



**NOTICE OF ANNUAL AND GENERAL MEETING**

**&**

**MANAGEMENT INFORMATION CIRCULAR**

**May 18, 2024**

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## NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the Annual and General Meeting (the “**Meeting**”) of the shareholders of Frontenac Mortgage Investment Corporation (the “**Company**” or “**FMIC**” or “**Frontenac**”) will be held on **Thursday, June 27, 2024, at 2:00 p.m.** EST at Delta Hotel 1 Johnston St., Kingston and online via live webcast at [//meetnow.global/MAKL2YN](https://meetnow.global/MAKL2YN). The accompanying information circular (the “**Circular**”) explains how shareholders may participate in the Meeting virtually via the Internet, or in person.

The Meeting is being held for the following purposes, which are explained more fully in the accompanying Circular:

- 1) To receive and consider the Audited Annual Financial Statements and the Auditor’s Report for the Company for the year ended December 31, 2023, which incorporates the 2022 Restatement.
- 2) To approve MNP LLP as the Auditor of the Company for the ensuing year and to authorize the Board of Directors to fix the remuneration of the Auditor.
- 3) To elect the following persons as Directors of the Company for a term ending not later than the next annual meeting: **Meghan Davis, Eric Dinelle, Ryan Seeds, and Ryan Wykes** ;
- 4) To transact such further and other business as may properly be brought before the meeting or any adjournment thereof.

The Directors of the Company have fixed May 18, 2024 (the “**Record Date**”) as the record date for determining the shareholders entitled to receive notice of and vote at the Meeting. Only shareholders of the Company as of the close of business on the Record Date will be entitled to receive notice of and to vote, in person or by Proxy, at the Meeting.

The Company is using the Notice-And-Access provisions (“**Notice-and-Access Provisions**”) under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of the shareholder meeting materials online on the System for Electronic Document Analysis and Retrieval Plus (“**SEDAR+**”), as well as an additional website, instead of mailing paper copies of shareholder meeting materials to shareholders.

Electronic copies of this notice, the Information Circular, and other Meeting materials (together the “**Materials**”) may be found on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca), as well as at Computershare’s website at [www.envisionreports.com/Frontenac2024](http://www.envisionreports.com/Frontenac2024). The Company reminds shareholders to review the Information Circular prior to voting.

Shareholders will receive copies of a Notice Package (the “**Notice Package**”) via pre-paid mail. The Notice Package contains a notice with prescribed information under NI 54-101, a Voter Instruction/Proxy Form (a “Proxy”) and return envelope.

The Company will not send paper copies of the Materials to any shareholders unless specifically requested to do so. Shareholders wishing to receive paper copies of the Materials should contact W.A. Robinson Asset Management Ltd. at 1-877-279-3061 x 105 or amber.kehoe@robinsonam.com no later than Thursday, June 13, 2024, and the Company will arrange for paper copies to be sent within three business days of such request.

Registered shareholders and persons appointed as proxies pursuant to the Proxy will be entitled to participate fully in the virtual online Meeting, including submitting questions and voting shares. Registered Shareholders are encouraged to provide questions in advance of the meeting. Shareholders with intention to attend in person, should email W.A. Robinson Asset Management Ltd. at amber.kehoe@robinsonam.com no later than Thursday, June 13, 2024.

Dated: May 18, 2024

BY ORDER OF THE BOARD OF DIRECTORS

Ryan Seeds, Chair

**Our Meeting will be held as a hybrid meeting. Whether or not you plan to attend the Meeting virtually, or in person, we encourage you to vote. If you do not intend to attend the Meeting, please submit your completed Proxy in advance in the manner described in the Proxy and enclosed Circular. For additional instructions on attending virtually, or voting via Internet, please refer to the enclosed Circular or the Proxy that you will receive via mail. To vote and submit your Proxy by mail, please complete, sign and date the Proxy form that is mailed to you in the Notice Package and return it in the envelope also provided in the Notice Package. If you have returned your completed Proxy and then decide to attend the Annual Meeting, you may revoke your Proxy and vote at the meeting. Please refer to the attached Circular for further details.**

# FRONTENAC MORTGAGE INVESTMENT CORPORATION

## MANAGEMENT INFORMATION CIRCULAR

### SOLICITATION OF PROXIES

This Management Information Circular (the “**Circular**”) accompanies the Notice of Annual and General Meeting of the Shareholders (the “**Notice**”) of the Frontenac Mortgage Investment Corporation (the “**Company**” or “**FMIC**” or “**Frontenac**”).

The Circular is furnished in connection with the solicitation of proxies and has been prepared by Management of the Company for use at the Annual and General Meeting (the “**Meeting**”) or at any adjournment of the Meeting for the purposes set forth in the accompanying Notice. The Meeting will be held on **Thursday, June 27, 2024 at 2:00 p.m.** EST. It is expected that solicitation of proxies will be made primarily by mail and possibly supplemented by telephone or other personal contact by Directors or Officers of the Company, without special compensation, or by employees of W. A. Robinson Asset Management Ltd., the Manager of the Company.

The Meeting will be held in a hybrid format, virtually via the Internet and in person. Shareholders may attend in person by preregistering their intent to attend and contacting W.A. Robinson Asset Management Ltd. at [amber.kehoe@robinsonam.com](mailto:amber.kehoe@robinsonam.com) no later than Thursday, June 13, 2024. Shareholders (both registered and non-registered) who choose to attend the Meeting virtually may do so by accessing a live webcast of the Meeting via the Internet.

The Circular provides background information not previously provided to you which might be useful in deciding how you wish to vote on matters put before the shareholders. The cost of the solicitation of Proxies herein will be borne by the Company, including the cost of preparing, assembling and mailing Proxy materials and handling and tabulating the Proxies returned.

A voter instruction/proxy form (the “**Proxy**”) will be sent to you in your Notice Package. Whether or not you plan to attend the Meeting, the Proxy will allow you to specify how you want to vote your shares at the Meeting and whom you authorize to vote your shares (see ‘How To Vote Your Shares’) below.

The FundSERV platform through which all purchases of common shares of the Company (“**Common Shares**”) are processed, including purchases pursuant to the Company’s dividend reinvestment program, records information on both the registered dealer which purchases and holds the Common Shares as well as the investors for whom such dealers are acting (the “**Beneficial Shareholders**”) for all purchases of Common Shares. Because there is no secondary market for the Common Shares, and because redemptions of Common Shares are also processed through FundSERV, the Company, through its transfer agent and registrar, SGGG Fund Services Inc., is able to obtain accurate shareholder information at all times, including a complete and accurate list of the Beneficial Shareholders. In connection with shareholder meetings, including this Meeting, the Company sends all applicable meeting materials directly to all Beneficial Shareholders or to the registered investment dealer or registered portfolio manager to which a Beneficial Shareholder has granted discretionary authority to vote its Common Shares (each, an “**Intermediary**”), as requested by such registered Dealer or registered Portfolio Manager. For purposes of

the Meeting such Beneficial Shareholders and Intermediaries are deemed to be registered shareholders, except that a Beneficial Shareholder for whom an Intermediary votes the shares beneficially owned by such Beneficial Shareholder will be considered a non-registered shareholder for purposes of the Meeting.

## **HOW TO VOTE YOUR SHARES**

Registered shareholders can vote their shares either: (a) by attending and voting at the Meeting, or (b) by completing and submitting the Proxy in advance of the Meeting.

### **Voting at the Meeting**

If you are a registered shareholder or a person named in the Proxy to vote Common Shares and you will be attending the Meeting (see 'How to Attend the Meeting' below) you are encouraged to vote online prior to the Meeting commencing. You may also vote using an online ballot which will be presented to you during the Meeting. Only registered shareholders or their duly appointed proxyholders are entitled to vote at the Meeting.

### **Voting by Proxy in Advance of the Meeting**

Registered shareholders who are unable, or who do not wish, to attend and participate in the Meeting may use the Proxy to submit their voting instructions to authorize the management representatives of the Company to vote their shares as their proxyholder at the Meeting by one of the following methods, no later than 2:00 p.m. EST on June 25, 2024.

**By Mail:** The completed Proxy, together with the Power of Attorney or other authority, if any, under which the Proxy was signed or a certified copy of the Power of Attorney or other authority, must be delivered to: Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment of the Meeting. Late Proxies may be deposited with the Chairperson of the Meeting (Ryan Seeds), at the registered office of the Company, prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof. However, the Chairperson may accept or reject late Proxies at their discretion.

**By Internet:** The Company has an online registration system available to Shareholders through the internet to allow them to submit their voting instructions at **[www.investorvote.com](http://www.investorvote.com) using their control number which is printed on the Proxy. If you have multiple accounts, you may receive a package for each account. With each package, you have received a unique user control number which is associated with the number of shares held in that account. It is very important that you keep your control number for each account as you will need these to properly register your total share count for the Meeting.**

Shareholders submitting their Proxy instructions by any of the above-noted methods other than mail are not required to return a paper form of the Proxy to the Company or its agent, Computershare.

The persons named as Proxyholders in the Instrument of Proxy accompanying this Management Information Circular, including Amber Kehoe, are Directors, Officers, or employees of the Manager of the

Company and are representatives of the Company's Manager for the Meeting. The Corporate Secretary of Frontenac, Amber Kehoe, is named in the accompanying Form of Proxy as the nominee of the Company's Management to exercise your voting rights in your absence. The Corporate Secretary is therefore known as the Proxy Holder for those who agree to have them vote on their behalf.

**A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act on the shareholder's behalf at the Meeting other than the representative of the Company's Manager designated as Proxy Holder in the accompanying Form of Proxy.** If you wish to appoint an alternate person as Proxy to vote your shares for you at the Meeting during the live webcast, please follow the instructions found on the Proxy. You will need to enter the email address of your appointee on the Proxy. Upon receipt of the Proxy the Company will send a control number to your appointee via e-mail which will allow your appointee only to attend the Meeting online and vote your Common Shares on your behalf.

**We ask that shareholders voting by Proxy return their Form of Proxy or register their Proxy online as soon as they can after receiving them so that we are assured of having the appropriate number of shares represented either in person or by Proxy at the Meeting.** At the very latest, we ask that the Proxies be submitted by 4:00 p.m. EST on June 25, 2024.

Pursuant to section 148 (4) of the *Canada Business Corporations Act* ("**CBCA**"), a shareholder who has given a Proxy may revoke it manually or online:

- a) By depositing an instrument in writing, including another completed Form of Proxy executed by that shareholder or shareholder's attorney authorized in writing either:
  - i) At the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting or any adjournment of the Meeting; or
  - ii) With the Chairperson of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment of the Meeting; or
- b) By signing on at **www.investorvote.com** and changing the appropriate field in the Form of Proxy; or
- c) In any other manner permitted by law.

A shareholder may indicate the manner in which the person named in the Proxy is to vote with respect to a matter to be acted upon at the Meeting by ticking one of the options on the Proxy. All Common Shares represented at the Meeting by properly executed Proxies will be voted "For" or "Against" (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Form of Proxy, the Common Shares represented by the Proxy will be voted in accordance with such specification.

If no choice is specified in the Proxy with respect to a matter to be acted upon, the Proxy confers discretionary authority with respect to that matter upon the Proxyholder named in the accompanying Form of Proxy. It is intended that the Proxyholder named by Management in the accompanying Form of Proxy will vote the shares represented by the Proxy in favour of each matter identified in the Proxy.



The Proxy also confers discretionary authority upon the named Proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice and with respect to any other matters which may properly come before the Meeting. As of the date of this Circular, Management of the Company is not aware of any such amendments or variations, or any other matters, that will be presented for action at the Meeting other than those referred to in the accompanying Notice. If, however, other matters that are not now known to Management properly come before the Meeting, then the person named in the accompanying Form of Proxy will vote on them in accordance with their best judgment.

## **HOW TO ATTEND THE MEETING**

The Company will hold its 2024 Annual and General Meeting in a hybrid format which will be conducted both via live webcast online and in person. Shareholders may choose to attend the Meeting online by accessing a live webcast or Shareholders may attend in person, by preregistering their intent to attend by contacting W.A. Robinson Asset Management Ltd. at [amber.kehoe@robinsonam.com](mailto:amber.kehoe@robinsonam.com) no later than Thursday, June 13, 2024. Registered shareholders attending virtually by accessing the live webcast and those appointed by a Proxy to vote Common Shares will be able to submit questions for consideration at the Meeting and to vote on all business brought before the Meeting. Questions can be submitted in advance of the meeting by email to the Corporate Secretary at [amber.kehoe@robinsonam.com](mailto:amber.kehoe@robinsonam.com).

To fully participate in the Meeting, including being able to submit questions for consideration at the Meeting and to vote on all business brought before the Meeting, registered shareholders and those appointed by a Proxy to vote Common Shares are advised as follows:

- To attend the Meeting online via the internet and live webcast, shareholders will need to visit [//meetnow.global/MAKL2YN](https://meetnow.global/MAKL2YN) and check-in using the control number included on your Voting Instruction/Proxy Form or which has been e-mailed to you if you are appointed to vote Common Shares as a Proxyholder.
- The Meeting platform is fully supported across browsers and devices running the most updated version of applicable software plugins. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting.
- To attend the Meeting in person, shareholders who wish to attend should send their intent to W.A. Robinson Asset Management Ltd. at [amber.kehoe@robinsonam.com](mailto:amber.kehoe@robinsonam.com) no later than Thursday June 13, 2024.
- The Meeting will begin promptly at **2:00** p.m. EST on Thursday, June 27, 2024. Online check-in will begin 30 minutes prior, at **1:30** p.m. EST. You should allow ample time for online check-in procedures.

In order to find the Control Number to access the Meeting:

- **Registered Shareholders and Proxyholders:** The control number is located on the Voter Instruction/Proxy Form that has been mailed to you.

We recommend that you log in at least 15 minutes before the start time of the Meeting. It is important to ensure you are connected to the Internet at all times if you participate in the Meeting online, in order to

vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Those who have appointed a Proxyholder may not ask questions or vote at the Meeting though may still attend the meeting as guests, via the Internet as follows:

Internet: Visit [//meetnow.global/MAKL2YN](https://meetnow.global/MAKL2YN)

## **QUORUM**

The By-laws of the Company provide that a quorum for the transaction of business at any meeting of shareholders shall be 40 Shareholders and 10% of the shares entitled to vote at a meeting of shareholders, whether present or represented by Proxy.

## **VOTING SHARES AND PRINCIPAL HOLDERS**

Shareholders who appear in the Shareholder list on the record date of May 18, 2024 (the “**Record Date**”) are entitled to receive notice of and to attend and vote at the Meeting or any adjournment of the Meeting (see “*Voting of Shares*” and “*Voting of Proxies and Exercise of Discretion by Proxy Holders*” above).

As of the Record Date, the Company had **6,701,594.7404** Common Shares issued and outstanding which are entitled to be voted at the Meeting. The Common Shares carry the right to one vote per Common Share held. The Company does not have any other class of shares issued and outstanding.

As at the Record Date, to the knowledge of the Directors and Officers of the Company, no person, firm or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the voting rights attaching to any class of voting securities of the Company.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Receipt of Financial Statements and Auditor’s Report**

The Audited Annual Financial Statements and the Auditor’s Report of the Company for the fiscal year ended December 31, 2023, are enclosed with this Circular. The Audited Annual Financial Statements and the Auditor’s Report are posted on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Frontenac web site [www.fmic.ca](http://www.fmic.ca). The Company received an opinion that the Audited Annual Financial Statements “present fairly, in all material aspects, the statement of investment portfolio as at December 31, 2023, the financial position of Frontenac Mortgage Investment Corporation as at December 31, 2023 and 2022 and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with International Financial Reporting Standards.” The 2023 Audited Financial Statements include the Restated figures as at December 31, 2022.

## The Appointment and Remuneration of the Auditor

At the Meeting, shareholders will be asked to vote in favour of the appointment of MNP LLP, as the Auditor of the Company to hold office for the ensuing year. The resolution will also authorize the Board of Directors to fix any required remuneration of the Auditor.

**Unless directed otherwise, it is the intention of Management's nominee as Proxyholder, Amber Kehoe, to vote in favour of an ordinary resolution appointing MNP LLP as Auditor for the Company, and to authorize the Board of Directors to fix the remuneration of the Auditor.**

## Election of the Directors

The Company's Board of Directors is independent of the Manager. At the Meeting the shareholders will be asked to elect four Directors. The people included in the table below are nominated for election as Directors of the Company.

The Board of Directors has two standing committees, the Audit Committee and the Governance/Nominations Committee.

Name and Municipality of Residence	Principal Occupation for Last Five Years <sup>(1)</sup>	Director Since	Expiry of Term	Number of Shares Held
Eric Dinelle <sup>(4)(5)</sup> Kingston, Ontario, Canada	Owner of Environmental Contracting Services since 2009.	July 2012	June 2024	2,271
Ryan Seeds <sup>(4)(5)</sup> CPA, CA, Inverary, Ontario, Canada	Chartered Professional Accountant and principal of Seeds Chartered Professional Accountants, Sharbot Lake, Ontario until 2016; Presently an independent consultant providing CFO services.	June 2019	June 2024	1,255
Meghan Davis <sup>(3)(4)(5)</sup> Kingston, Ontario, Canada	Founder of Estate Tax Services Professional Corporation, and a co-owner of CMD CPA Professional Corporation	April 2021	June 2024	278
Ryan Wykes <sup>(2)(5)</sup> , Toronto, Ontario, Canada	Managing Partner at The Spring Team	March 2022	June 2024	7

### Notes:

- (1) Information as to principal occupation, business or employment is not within the knowledge of Management of the Company and has been furnished by the respective individuals.
- (2) Chair of the Governance/Nominating Committee.
- (3) Chair of the Audit Committee.
- (4) Member of the Audit Committee.
- (5) Member of the Governance/Nominating Committee.

At the Meeting shareholders of the Company will be asked to elect the following persons as Directors of the Company for a term ending not later than the next annual meeting: Meghan Davis, Eric Dinelle, Ryan Seeds, and Ryan Wykes, unless their office is earlier vacated in accordance with the by-laws of the Company;

None of the nominees for election as a Director of the Company is, or was within the ten years prior to the date hereof, a Director, Chief Executive Officer or Chief Financial Officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied such company access to any exemption under securities legislation that was, in each case, in effect for a period of more than 30 consecutive days and that was issued while that person was acting in such capacity or that was issued after that person ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

None of the nominees for election as a Director of the Company is, or was within the ten years prior to the date hereof, a Director or Executive Officer of any company that, while that person was acting in such capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

None of the nominees for election as a Director of the Company has within the ten years prior to the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

None of the nominees for election as a Director of the Company has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

**It is the intention of Management's nominee as Proxyholder, Amber Kehoe, to vote in favour of FOR the election of the nominees whose names are set forth above, unless the shareholder of the Company who has given such Proxy has directed that the Common Shares represented by such Proxy be voted against in respect of the election of Directors of the Company.**

Management of the Company does not contemplate that any of the nominees will be unable to serve as a Director of the Company for the ensuing year, however, if that should occur for any reason prior to the Meeting or any adjournment thereof, Management's nominee as Proxyholder, Amber Kehoe, has the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee at their discretion.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### ***Summary of Compensation Table***

The Executive Officers of the Company also serve as Executive Officers of the Manager (see “*Management Contracts - Management Agreement*” below). Pursuant to the Management Agreement, the Manager directs the affairs and manages the business and administers or arranges for the administration of the Company’s day-to-day operations. The Company does not have any employment agreements with, nor does it pay any compensation to, its Executive Officers. Instead, the Company’s Executive Officers are employed and paid compensation by the Manager as Executive Officers and employees of the Manager. In consideration for the management services provided to the Company, the Manager is paid a monthly management fee equal to one-twelfth of one percent of the value of the Company’s gross assets, calculated on a monthly basis (see “*Management Contracts - Management Agreement*” below). All of the outstanding voting shares of the Manager are owned indirectly by Matthew Robinson, CEO.

Applicable securities legislation requires disclosure of all direct and indirect compensation provided to each Director and Named Executive Officer (“**NEO**”) of the Company for both of its two most recently completed financial years. NEO is defined by securities legislation to mean: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) each of the three most highly compensated Executive Officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a “NEO” under paragraph (iii) but for the fact that the individual was neither an Executive Officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the most recently completed financial year.

During the financial years ended December 31, 2023 and December 31, 2022, the Company had three (3) NEOs, all of whom were employees of the Manager. The following table and notes thereto provide a summary of the compensation paid by the Manager to each NEO of the Company that is attributable to time spent by such NEO on the activities of the Company, and the compensation paid by the Company to the members of the Board of Directors, for the financial years ended December 31, 2023 and December 31, 2022. The following table is presented in accordance with form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”) under National Instrument 51-102 – *Continuous Disclosure Obligations*.

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee Fees (\$)	Value of Perquisites (\$)	Value of All other Compensation (\$)	Total Compensation (\$)
Matthew Robinson, <sup>(1)</sup> CEO	2023	210,000	Nil	Nil	Nil	Nil	210,000
	2022	210,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	210,000
Kevin Cruickshank, <sup>(1,3)</sup> CFO	2023	0.00	Nil	Nil	Nil	Nil	0.00
	2022	50,000 <sup>(1,3)</sup>	Nil	Nil	Nil	Nil	50,000
Daniel Komorowski <sup>(1,4)</sup>	2023	100,000	Nil	Nil	Nil	Nil	100,000
	2022	50,000 <sup>(1,2)</sup>	Nil	Nil	Nil	Nil	50,000 <sup>(1,2)</sup>
Robert Barnes <sup>(6)</sup>	2023	20,800					20,800
	2022	26,501	Nil	Nil	Nil	Nil	26,501
Eric Dinelle	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Ryan Seeds	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Jody Becker <sup>(5)</sup>	2023	34,800	Nil	Nil	Nil	Nil	34,800
	2022	26,500	Nil	Nil	Nil	Nil	26,500
Meghan Davis	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Alex de Korte	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Allison Martin <sup>(2)</sup>	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000
Ryan Wykes <sup>(2)</sup>	2023	20,800	Nil	Nil	Nil	Nil	20,800
	2022	20,000	Nil	Nil	Nil	Nil	20,000

**Notes:**

- (1) Represents the portion of the salary paid by the Manager attributable to the time spent on the activities of FMIC.
- (2) Became Director in March 2022
- (3) Retired June 2022
- (4) Became Chief Financial Officer June 2022
- (5) Became Chair in June 2022
- (6) Became Director in June 2022

### ***Discussion of Compensation***

The Directors' fees described above relate to the work that the Directors are asked to perform on the Board of Directors and on Committees. The Directors provide oversight for the Company over the Manager and Administrator. Detailed activities include: reviewing and approving mortgages, financial oversight (review of financial statements), reviewing materials for the Company at the various Board of Directors' meetings and providing advice and approval of the CEO's strategic direction. In determining the compensation of Directors, the Company considers factors including market rates for compensation of Directors across different economic sectors, the aggregate assets of the Company, the responsibilities and time committed by the Directors and past increases in compensation. The compensation of the Chair is greater than that of other Directors because the Chair assumes a greater workload as they meet with the CEO on a regular basis to discuss the Company's business and with the staff of the Administrator on an as needed basis to review and approve mortgages.

## **INDEBTEDNESS OF DIRECTORS, EXECUTIVE AND SENIOR OFFICERS**

Other than routine indebtedness, no Director or Senior Officer of Frontenac, or any proposed nominee for election as a Director of the Company, or any associate or affiliate of any such Director, Senior Officer or proposed nominee, is or has been indebted to the Company or any of its subsidiaries, or to any other entity that was provided a guarantee or similar arrangement by the Company or any of its subsidiaries in connection with the indebtedness, at any time since the beginning of the most recently completed financial year of the Company.

Except for: (i) indebtedness that has been entirely repaid on or before the date of this Circular, and (ii) "routine indebtedness" (as defined in paragraph 10.3(c) of Form 51-102F5 of National Instrument 51-102 - Continuous Disclosure Obligations), the Company is not aware of any individuals who are, or who at any time during the most recently completed financial year was, a Director or Executive Officer of the Company, a proposed nominee for election as a Director or an associate of any of those Directors, Executive Officers or proposed nominees who are, or have been since the beginning of the most recently completed financial year indebted to the Company or any of its subsidiaries, or whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

## **MANAGEMENT CONTRACTS**

### **Amended and Restated Administration Agreement**

The Company is party to an amended and restated administration agreement made between the Company and Pillar Financial Services Inc. (the "**Administrator**") dated July 29, 2008 (the "**Amended and Restated Administration Agreement**"). Pursuant to this agreement, the Administrator has been

appointed on an exclusive basis to source and administer the mortgage portfolio. In order to carry out this mandate, the Administrator is required to:

- 1) Underwrite the mortgages for the account of the Company, including setting the interest rates thereof;
- 2) Collect payments from borrowers and discharge mortgages upon payout;
- 3) Ensure the safe custody of mortgage deeds; and
- 4) Monitor and, where appropriate, pursue arrears and institute and pursue legal actions for the enforcement of the Company's rights as a mortgagee

The Amended and Restated Administration Agreement had an initial term of five years which has since been automatically renewed. The Administrator is paid 1/12<sup>th</sup> of 1% of the value of the Company's gross assets each month for its services.

### **Management Agreement Amended and Restated**

The Company is a party to a management agreement made between the Company and W. A. Robinson Asset Management Ltd. (the "**Manager**") dated July 29, 2008 ("**Management Agreement**"). The Manager is responsible for the overall management of the Company's affairs, including the following tasks and duties:

- 1) Acting as Frontenac's registrar and transfer agent
- 2) Maintaining the books and records of the Company and performing administrative functions in connection with the issuance, registration and redemption of Common Shares; and
- 3) Supplying clerical, accounting and administrative staff and services as required for the efficient day-to-day function of the Company.

The Management Agreement had an initial term of five years which has since been automatically renewed. The Manager is paid 1/12<sup>th</sup> of 1% of the value of the Company's gross assets each month for its services.

### **Custodian Agreement**

Frontenac is a party to a custodian agreement made among the Company, Computershare Trust Company of Canada (the "**Custodian**") and the Manager dated July 29, 2008. The Custodian's responsibilities include:

- 1) Appearing on the title of mortgages funded by Frontenac
- 2) Maintaining a list of mortgagees funded by Frontenac
- 3) Issuing an ownership certificate to Frontenac on mortgages funded by Frontenac

The contract has since been automatically renewed.



## **DISCLOSURE REGARDING DIVERSITY**

The Company recognizes that diversity can make an important contribution to governing excellence. As such the Company has adopted written policies wherein it states that it is desirable to have prospective Director candidates who are members of designated groups, including women, aboriginal peoples, persons with disability and members of visible minorities, and the Board of Directors does consider the level of representation of designated groups on the Board in identifying and nominating candidates for election or re-election to the Board of Directors, and Management. Pursuant to its policies, the Company's Governance/Nominations Committee evaluates the status of the diversity of its Board on an annual basis.

There is presently one (1) woman on the Board of Directors (representing approximately 25% of the Directors). At the last Annual and General Meeting of shareholders, 3 women were elected to the Board of Directors. There are currently no women in senior management of the Company and there are no Aboriginal peoples, persons with disabilities, or members of visible minorities on the Board of Directors or in senior management.

## **CORPORATE GOVERNANCE DISCLOSURE**

In establishing its corporate governance practices, the Board of Directors has been guided by applicable Canadian Securities Legislation for effective corporate governance, including National Policy 58-201 - Corporate Governance Guidelines. The Board of Directors is committed to a high standard of corporate governance practices. The Board of Directors believes that this commitment is not only in the best interests of its shareholders, but that it also promotes effective decision making at the Board of Director level.

### ***The Board of Directors***

#### ***Independence***

Subject to certain exceptions, a Director is "independent" within the meaning of National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101") if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship that could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a Director's independent judgment. Certain types of relationships are, by their nature, considered to be material relationships.

Currently, all the members of the Board of Directors are independent Directors. These determinations were made by the Board of Directors based upon an examination of the factual circumstances of each Director and consideration of any interests, business or relationships which any Director may have with the Company.

The Chair of the Board of Directors, Mr. Ryan Seeds, is an independent Director. The Company does not have a designated lead Director. The Board of Directors utilizes its own in-house expertise, and that of its legal counsel, to provide advice and consultation on current and anticipated matters of corporate governance.

### ***Other Reporting Issuer Experience***

None of the Directors of the Company are Directors of other reporting issuers (other than the Company) as of the date of this Circular.

### ***Orientation and Continuing Education***

The Company provides new Directors with a copy of Board policies and training on the Carver Policy Governance model which is followed by the Board of Directors. The Company also provides its Directors with training on the 'Basecamp' software package, a project/information management software enabling the sharing of information and documents for the consideration of Directors, tracking and coordinating the critical path of Board mandates, and assisting the Directors in preparing for Board meetings. The Company does not have a formal continuing education program for its Directors but may provide individualized training on an as-needed basis.

### ***Ethical Business Conduct***

The Company is committed to maintaining high standards of corporate governance and this philosophy is communicated by the Board of Directors to Management, and by Management to employees, on a regular basis. In order to ensure that the Directors exercise independent judgment in considering transactions and agreements, the Board of Directors requires that all Directors declare any conflicts of interest with issues or situations as they arise. This would include transactions/agreements in which a Director/Officer has material interest. See *"Interests of Management and Others in Material Transactions"*.

### ***Nomination of Directors***

The Governance/Nominating Committee is a standing Committee appointed by the Board of Directors and it is responsible for overseeing and assessing the functioning of the Board of Directors and the Committees of the Board of Directors and for the development, recommendation to the Board of Directors, implementation and assessment of effective corporate governance principles. The Governance/Nominating Committee's responsibilities also include identifying candidates for Directorship and recommending that the Board of Directors select qualified Director candidates for election at the next Annual Meeting of shareholders.

Given the Board's reduced size, the Board agreed to temporarily abandon the longstanding practice of appointing Board members to one of the two Standing Committees in favour of a Committee of the Whole Board System where all members of the Board will sit as members of the Governance/Nominating Committee.

### ***Other Board of Directors Committees***

The Board of Directors has no standing Committee other than the Audit Committee and the Governance/Nominating Committee.

### ***Assessments***

The Board of Directors, its Committees and individual Directors regularly self-assess their effectiveness and contribution by way of independent valuation following each quarterly meeting. The self-assessment includes a review of Board preparedness for and participation in meetings, leadership and accountability (to the Shareholders), decision making abilities, collaboration and communication, follow-up, and

feedback. Self-assessments are provided electronically to the Corporate Secretary for compilation and presentation at the annual Corporate Strategic Session, wherein the results are extensively discussed between the Directors and Management.

## **AUDIT COMMITTEE DISCLOSURE**

### ***Charter***

The text of the charter (the “**Charter**”) of the Audit Committee is attached hereto as Schedule “A”.

### ***Composition of the Audit Committee***

The Audit Committee is comprised of Eric Dinelle, Ryan Seeds, and Meghan Davis as ex officio. The Chair of the Audit Committee is Meghan Davis. Each member of the Audit Committee is financially literate and independent within the meaning of National Instrument 52-110 - *Audit Committees* (“NI 52-110”).

### ***Relevant Education and Experience***

Described below for each member of the Audit Committee is a brief description of the education and experience relevant to the performance of their responsibilities as an Audit Committee member and from which they derive their “financial literacy” as defined in NI 52-110.

<b>Audit Committee Member</b>	<b>Relevant Education and Experience</b>
Eric Dinelle	Owner of contracting services business since 2009, Director of the Company since 2012
Ryan Seeds	Chartered Professional Accountant
Meghan Davis	Chartered Professional Accountant

### ***Reliance on Certain Exemptions***

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in sections 2.4 (De Minimis Non-audit Services), 3.2 (Initial Public Offerings), 3.4 (Events Outside Control of Member), or 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### ***Reliance of the Exemption in Subsection 3.3(2) or Section 3.6***

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exception Circumstances) of NI 52-110.

### ***Reliance on Section 3.8***

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

### ***Audit Committee Oversight***

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

### ***Pre-Approval Policies and Procedures for the Engagement of Non-Audit Services***

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services, as described in the Audit Committee Charter attached to this Circular.

### ***External Auditor Service Fees***

The table below sets out all fees billed by the Company's external auditor in respect of the Company's fiscal years ended December 31, 2023 and December 31, 2022.

<b>Financial Year End</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
December 2023	\$48,374	\$131,598	\$0	\$119,840
December 2022	\$102,612	\$10,433	\$0	\$106,251

#### **Notes:**

- (1) "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's financial statements for the financial year.
- (2) "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to performing the audit or reviewing the Company's interim financial statements.
- (3) "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" are fees billed by the auditor for products and services not included in the previous categories.

### ***Investment Entity Review Reports***

The Committee has authority to oversee the process involving the preparation of investment entity review reports ("IERRs") including, without limitation, selecting and setting the remuneration of the firm of chartered business valuers who prepare the Company's IERRs.

In relation to any change in the firm of chartered business valuers who prepare the Company's IERRs, the Company will follow a process which is consistent with the process prescribed by section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* for any change of the Company's auditor.

### ***Venture Issuer Exemption***

The Company is not required to comply with Part 3 of NI 52-110 (Composition of the Audit Committee) and Part 5 of NI 52-110 (Reporting Obligations) by virtue of the exemption for venture issuers contained in section 6.1 of NI 52-110.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

To the knowledge of Management, no insider of the Company, no proposed nominee for election as a Director of the Company and no associate or affiliate of any such insider or proposed nominee has had any material interest, direct or indirect, in any transaction since the beginning of the Company's most

recently completed financial year or in any proposed transaction that, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No Director or Senior Officer of the Company at any time since the beginning of the company's most recently completed financial year, no proposed nominee for election as a Director of the Company and no associate or affiliate of any such persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of shares in the capital of the Company.

### **OTHER BUSINESS**

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Form of Proxy, to vote the shares represented thereby in accordance with their best judgment on such matter.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the comparative financial statements and the Management's Discussion and Analysis of the Company for the financial year of the Company ended December 31, 2023. Shareholders may also obtain these documents, without charge, upon request to the Manager c/o W.A. Robinson Asset Management Ltd., 14216 Road 38, Sharbot Lake, ON K0H 2P0.

### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Directors of the Company.

Dated: May 18, 2024

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed)

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**Ryan Seeds**  
**Chair of the Board of Directors**

**Audit Committee Charter**  
**Frontenac Mortgage Investment Corporation (“FMIC”)**

The Audit Committee shall assist the Board with its oversight duties related to finance in a manner consistent with National Instrument 52-110 – Audit Committees. Products expected by the Committee, and the Committee’s authority are outlined below.

**Committee Products**

**1. Selection of, liaison with, and oversight of external auditor**

- 1.1 Options for Board decision re: selection of financial auditor and liaison with auditor on behalf of Board.
- 1.2 Approval of terms of engagement of the external auditor as set forth in the Engagement Letter, for an audit to be completed annually and filed within 90 days of the fiscal year end.
- 1.3 Review with the external auditor of the audit plan, including the scope of the audit, areas of special emphasis to be addressed, materiality levels they propose to employ and the estimated cost of the audit.
- 1.4 Meet with the external auditor to determine that no Management restrictions have been placed on the scope and extent of the audit examinations or the reporting of their findings to the Committee.
- 1.5 An opinion for the Board, based on evidence required of the external auditor, as to whether the independent audit of the organization was performed in an appropriate manner, including maintaining their independence.
- 1.6 On behalf of the Board, pre-approval of non-audit services provided by the independent auditor.
- 1.7 An annual report to the Board highlighting the committee’s review of the Audited Financial Statements, and any other significant information arising from their discussions with the external auditor.
- 1.8 An assessment for the Board of the services provided by the auditor.

**2. Oversight of financial information**

- 2.1 An opinion for the Board, based on discussion with the external auditors and management, as to whether there is reasonable assurance that the Annual Audited Financial Statements are accurate, complete, represent fairly the financial position and are in accordance with IFRS, prior to the Board’s approval of the Audited Financial Statements.

- 2.2 An opinion for the Board based on discussion with Management as to whether Management's Discussion & Analysis is accurate, complete and in compliance with regulations.
3. ***Advice to the Board re: procedures for dealing with complaints and reported questionable accounting or auditing matters***
  - 3.1 An opinion for the Board as required regarding procedures for dealing with complaints received by FMIC regarding accounting, internal accounting controls or auditing matters.
  - 3.2 An opinion as required for the Board regarding procedures (to be established) for dealing with anonymous submissions by employees of the issuer of concerns regarding questionable accounting or auditing practices or actions.
4. ***Advice to the Board Re: Committee Terms of Reference***
  - 4.1 If requested by the Board, an opinion for the Board regarding the currency of its Terms of Reference.

### **Committee Authority**

1. The Committee has no authority to change or contravene Board policies.
2. The Committee has authority to spend funds required for travel to meetings if meetings are required.
3. The Committee has the authority to set the remuneration for the external auditor within the range approved by the Board. The Committee has no authority to spend or commit other organization funds.
4. The Committee has authority to use Corporate Secretary resource time normal for administrative support around meetings.
5. The Committee does not have authority to instruct the CEO or any other staff member, other than to request information required in the conduct of its duties.
6. The Committee has the authority to meet independently with FMIC's external auditors.

### **Composition**

1. The Committee shall be composed of at least three Directors appointed by the Board of Directors at the first full meeting after the AGM. Members of the Committee shall be appointed annually for a one year term, which may be renewable at the pleasure of the Board. The Chair of the Board shall be an ex officio non-voting member of the Committee.
2. The Committee members shall elect the Chair from among its members.

3. All members of the Committee shall be independent, defined as a person who has no direct or indirect material (reasonably expected to interfere with the exercise of a member's independent judgement) relationship with FMIC.
4. All Committee members shall be financially literate as such qualification is defined by applicable law and interpreted by the Board in its business judgment.
  - 4.1 The Board's interpretation of financial literacy is the ability to read and understand FMIC financial statements.