

JANES ACQUISITION CORP.

January 27, 2021

TO: Unitholders of SIR Royalty Income Fund (TSX: SRV)

OFFER TO PURCHASE TRUST UNITS OF SIR ROYALTY INCOME FUND

Janes Acquisition Corp. (the “**Offeror**”) hereby offers to purchase up to an aggregate of 825,000 trust units (“**Units**”) of SIR Royalty Income Fund (the “**Fund**”), upon the terms and subject to the conditions set out below (the “**Offer**”). The Offeror’s press release dated of even date herewith sets out the rationale behind the Offer and we urge all holders of Units (each a “**Unitholder**”) to refer to such press release and to contact our information agent and depository for the Offer, Laurel Hill Advisory Group (the “**Depository and Information Agent**”) at 70 University Avenue, Suite 1440, Toronto, ON, Canada M5J 2M4, or by toll-free telephone in North America at 1-877-452-7184 or by collect call outside North America at 1-416-304-0211 or by email at assistance@laurelhill.com for more information.

1 The Offer

The Offer is being made to all Unitholders to purchase up to an aggregate of 825,000 Units from Unitholders at a price equal to \$4.25 per Unit (subject to applicable withholding taxes, if any) (the “**Purchase Price**”) to be paid in cash on the terms and subject to the conditions set forth herein. The Units are listed on the Toronto Stock Exchange (the “**TSX**”) under the trading symbol “SRV”. The Purchase Price is equal to an approximate 19.7% premium to the \$3.55 per Unit put forward by SIR Corp. (“**SIR**”) in its buyout proposal announced on January 6, 2021 (the “**Insider Buyout Proposal**”), and an approximate 67.1% premium to the three-month volume-weighted average trading price of the Units on the TSX prior to the announcement of the Insider Buyout Proposal.

The Offer is open for acceptance until 5:00 p.m. (Toronto time) on Thursday, February 11, 2021, or until such later time that the Offer may be extended or varied (the “**Expiry Time**”), or, in the event the conditions to the Offer are not met, until the Offer is withdrawn by the Offeror, in each case in its sole and absolute discretion.

A Unitholder that validly deposits Units pursuant to the Offer (each, a “**Deposited Unit**”), will appoint representatives of the Offeror as its nominees and proxy in respect of all Deposited Units that are taken up and purchased under the Offer for any meeting of holders of relevant securities of the Fund (whether annual, special or otherwise or any adjournment or postponement thereof). The Offeror is relying on the exemption under section 9.2(4) of National Instrument 51-102 - *Continuous Disclosure Obligations* to make a public broadcast solicitation for proxies. For further details, please see Section 10 of Schedule “A” to this letter.

Please refer to Schedule “A” to this letter for more details on the Offer.

2 Manner of Acceptance

Registration of interests in and transfers of Units may currently be made through a book-entry system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). As such, in order to deposit their Units to the Offer, Unitholders must complete the documentation and follow the instructions provided by their investment dealer, broker or other nominee. Investment dealers, brokers and other nominees may set a deadline for the delivery of deposit instructions that is earlier than the Expiry Time, and as such Unitholders should contact their investment dealer, broker or other nominee for assistance at their earliest convenience.

Time is of the essence. Call your broker now to deposit your Units.

A registered Unitholder may only deposit their Units to the Offer by validly completing, duly executing and returning a letter of transmittal (the “**Letter of Transmittal**”), with physical certificates or DRS statements representing Deposited Units, to the Depositary and Information Agent. A copy of the Letter of Transmittal can be obtained by Unitholders without charge from the Depositary and Information Agent.

Unitholders can contact the Depositary and Information Agent for detailed instructions on how to deposit their Units to the Offer.

The Depositary and Information Agent for the Offer is:



Laurel Hill Advisory Group
70 University Avenue, Suite 1440
Toronto, ON M5J 2M4

North American Toll Free Phone:
1-877-452-7184

Collect Outside of North America:
1-416-304-0211

E-mail: assistance@laurelhill.com

By Mail:
PO Box 370, STN Adelaide
Toronto, Ontario
Canada M5C 2J5

By Registered Mail or Courier:
70 University Avenue, Suite 1440
Toronto, Ontario
Canada M5J 2M4

Facsimile:
1-416-646-2415

By depositing your Units to the Offer you are agreeing to be bound by and acknowledging the terms and conditions set out in this letter, including Schedule “A”.

You are advised to seek independent legal advice with respect to the Offer and the consequences of the consummation of the transactions contemplated herein.

THE OFFER HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR ANY OTHER SECURITIES REGULATORY AUTHORITY (IN CANADA OR ELSEWHERE) OR SECURITIES EXCHANGE, NOR HAS ANY SECURITIES REGULATORY AUTHORITY OR SECURITIES EXCHANGE PASSED UPON THE FAIRNESS OR MERITS OF THE OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFER. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

3 Terms and Conditions of the Offer

The Offer is subject to and conditional on the terms and conditions set out in Schedule "A" attached to this letter.

Should you have any questions with respect to the Offer or require any assistance delivering your Units, please contact the Depositary and Information Agent at 1-877-452-7184 (North American Toll Free Number) or 1-416-304-0211 (collect outside North America). You can also email the Depositary and Information Agent at assistance@laurelhill.com.

JANES ACQUISITION CORP.

Per: *"Lembit Janes"*

Lembit Janes
President and Secretary

SCHEDULE "A"

TERMS AND CONDITIONS OF OFFER TO PURCHASE UNITS OF SIR ROYALTY INCOME FUND

1 The Offer

The Offeror offers to purchase a maximum of up to 825,000 Units, in the aggregate, at a price equal to \$4.25 per Unit to be paid in cash, all subject to the terms and conditions set forth herein.

Notwithstanding any other provision of the Offer, the Offeror expressly reserves the right, in its sole and absolute discretion at any time, to: (i) extend or vary the Offer at any time; (ii) withdraw the Offer if the conditions thereto are not met and, if withdrawn, the Offeror will not be required to take up or pay for any Units delivered pursuant to the Offer; or (iii) extend the period of time during which the Offer is open, and if so extended, postpone taking up and paying for any Units delivered under the Offer.

The Offeror reserves the right to acquire, or to cause an affiliate or associate of the Offeror to acquire, beneficial ownership of Units by making purchase through the facilities of the TSX at any time, and from time to time, prior to the Expiry Time subject to and in accordance with applicable law. In no event, however, will the Offeror (or its affiliates or associates) make any such purchases of Units that would result in the Offeror, together with its affiliates and associates, beneficially owning or exercising control or direction over 20% or more of the outstanding Units upon completion of the Offer.

All terms and conditions of the Offer contained in this Schedule "A" should be carefully reviewed by Unitholders wishing to deposit their Units to the Offer.

2 The Deposit of Units to the Offer

Registration of interests in and transfers of Units may currently be made through a book-entry system administered by CDS. As such, in order to deposit their Units to the Offer, Unitholders must complete the documentation and follow the instructions provided by their investment dealer, broker or other nominee. Investment dealers, brokers and other nominees may set a deadline for the delivery of deposit instructions that is earlier than the Expiry Time, and as such Unitholders should contact their investment dealer, broker or other nominee for assistance in depositing their Units at their earliest convenience.

Given the settlement rules of the TSX, Unitholders who purchase Units less than two (2) trading days prior to the Expiry Time should contact their investment dealer, broker or other nominee to confirm if they are eligible to participate in the Offer.

Each Unitholder accepting the Offer through a transfer of their Units into the Depositary and Information Agent's account with CDS through its CDS participant shall have or be deemed to have:

- (i) acknowledged receipt of the Offer and this letter and acknowledged entering into a binding agreement in respect of the Deposited Units taken up and paid for between the Unitholder and the Offeror in accordance with the terms and conditions of the Offer as set out in this letter;
- (ii) on and subject to the terms and conditions of the Offer, deposited and sold, assigned and transferred to the Offeror all right, title and interest in and to the Deposited Units, including any and all rights and benefits arising from the Deposited Units and any rights and benefits under the declaration of trust governing the Units, effective from the Expiry Time, unless the Offer is withdrawn by the Offeror;

- (iii) revoked any and all authority, whether as agent, attorney, attorney-in-fact, proxy or otherwise, previously conferred or agreed to be conferred at any time with respect to the Deposited Units and agreed that no subsequent authority will be granted with respect to the Deposited Units, unless the Deposited Units are not taken up and paid for under the Offer or are properly withdrawn;
- (iv) agreed: (a) not to vote any of the Deposited Units taken up and paid for under the Offer at any meeting or meetings of holders of relevant securities of the Fund and not to exercise any other rights or privileges attached to such Deposited Units, or otherwise act with respect thereto, (b) to execute and deliver to the Offeror, at any time, and from time to time, as and when requested by, and at the expense of, the Offeror, any and all instruments of proxy, authorizations or consents, in form and on terms satisfactory to the Offeror, in respect of any such Deposited Units, and (c) to designate in any such instruments of proxy, the person or persons specified by the Offeror as the proxyholder of the undersigned in respect of all or any such Deposited Units;
- (v) acknowledged and agreed that, subject to the terms and conditions of the Offer and except as provided below, by accepting the Offer, the Unitholder irrevocably assigns to the Offeror, and the Offeror will thereby acquire, free and clear of all liens, restrictions, charges, encumbrances, claims, adverse interests, equities and rights of others, all of the rights and benefits of such Unitholder in and to the Deposited Units tendered to the Depository and Information Agent under the Offer and taken up and paid for by the Offeror, and in and to all rights and benefits arising from such Deposited Units, including any and all distributions, payments, securities, property and other interests (collectively, "**Distributions**" and each individually a "**Distribution**"), which may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of such Deposited Units, or any of them, on or after the date of the Offer, including any distributions or payments on such Distributions; if, notwithstanding such assignment, any Distributions are received by or made payable to or to the order of the Unitholder, then (a) the Offeror will be entitled to all rights and privileges as the holder of any such Distribution and such Distribution shall be received and held by the Unitholder for the account of the Offeror and shall be promptly remitted and transferred by the Unitholder to the Depository and Information Agent for the account of the Offeror, accompanied by appropriate documentation of transfer, or (b) its sole discretion, the Offeror may, in lieu of such remittance or transfer, reduce the amount of the consideration payable to the Unitholder under the Offer by deducting an appropriate amount otherwise payable by the Offeror to the Unitholder pursuant to the Offer;
- (vi) represented and warranted that: (a) the Unitholder's CDS participant has full power and authority to deposit, sell, assign and transfer the Deposited Units (and any associated Distributions) on its behalf, (b) the Unitholder owns the Deposited Units being deposited through its CDS participant free and clear of any hypothecs, mortgages, liens, charges, restrictions, security interests, claims, pledges, equitable interests and encumbrances of any nature or kind whatsoever and has not sold, assigned or transferred, or agreed to sell, assign or transfer, any of the Deposited Units or associated Distributions to any other person, other than under the Offer, (c) the deposit of the Deposited Units complies with applicable securities laws, and (d) if the Deposited Units are taken up and paid for by the Offeror in accordance with the terms of the Offer, the Offeror will acquire good title thereto (and to any associated Distributions) free and clear of hypothecs, mortgages, liens, charges, restrictions, security interests, claims, pledges, equitable interests and encumbrances of any nature or kind whatsoever;

- (vii) directed the Offeror and the Depository and Information Agent, upon the Offeror taking up any of the Deposited Units, to pay for such Deposited Units validly deposited pursuant to the Offer and not validly withdrawn through a wire transfer to CDS for the account of the Unitholder's CDS participant;
- (viii) waived any right to receive notice of purchase of the Deposited Units;
- (ix) agreed that that if, on or after the date of the Offer, the Fund should divide, combine or otherwise change any of the Units or its capitalization, or disclose that it has taken or intends to take any such action, the Offeror, in its sole discretion and without prejudice to its rights under Section 4 hereof, may make such adjustments as it considers reasonably appropriate to the Purchase Price and the other terms of the Offer to reflect that division, combination or other change;
- (x) irrevocably constituted and appointed the Offeror, and any other persons designated by the Offeror in writing, as the true and lawful agents, attorneys and attorneys-in-fact of CDS, on behalf of the Unitholder, with respect to the Deposited Units taken up by the Offeror (any such Deposited Units upon being taken up and paid for are referred to as the "**Purchased Units**", and together with any Distributions thereon, the "**Purchased Securities**"), effective from and after the Expiry Time, with full power of substitution, in the name of and on behalf of CDS and the Unitholder (such power of attorney, being coupled with an interest, being irrevocable):
 - (a) to register or record the transfer and/or cancellation of such Purchased Securities on the appropriate securities registers,
 - (b) to exercise any and all rights in respect of such Deposited Securities, including, without limitation, the right to vote, to execute and deliver (provided the same is not contrary to laws), as and when requested by the Offeror, any and all instruments of proxy, authorizations or consents in form and on terms satisfactory to the Offeror in respect of any or all Purchased Securities, to revoke any such instruments, authorizations or consents and to designate in any such instruments, authorizations or consents any person or persons as the proxy of CDS, on behalf of the Unitholder, in respect of such Purchased Securities for all purposes including, without limitation, in connection with any meeting or meetings of holders of relevant securities of the Fund (whether annual, special or otherwise or any adjournment or postponement thereof),
 - (c) to execute, endorse and negotiate, for and in the name of and on behalf of the Unitholder, any and all instruments representing any Distributions payable to or to the order of, or endorsed in favour of, the Unitholder,
 - (d) to exercise any other rights of a Unitholder with respect to such Purchased Securities, and
 - (e) to execute all such further and other documents, transfers or other assurances as may be necessary or desirable in the sole judgment of the Offeror to effectively convey such Purchased Securities to the Offeror;
- (xi) irrevocably appointed as its proxy and attorney-in-fact, Lembit Janes, President and Secretary of the Offeror, and any individual who shall hereafter succeed any such person, and any other person designated in writing by the Offeror, each of them individually, with full power of substitution and resubstitution, to vote or execute written consents with respect to the Purchased Units of the Unitholder at

any meeting of holders of relevant securities of the Fund (whether annual, special or otherwise or any adjournment or postponement thereof);

- (xii) covenanted and agreed to execute, upon request of the Offeror, any signature guarantees, additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Purchased Securities to the Offeror and to give effect to the covenants of the Unitholder under the terms of the Offer;
- (xiii) acknowledged that the authority conferred or agreed to be conferred by CDS and by the Unitholder in respect of the Deposited Securities is, to the maximum extent permitted by law, irrevocable and coupled with an interest and shall survive the death or incapacity, bankruptcy or insolvency of CDS and of the Unitholder, and that all obligations of CDS and the Unitholder in respect of the Deposited Securities herein will be binding upon the heirs, executors, administrators, attorneys, personal representatives, successors and assigns of CDS and of the Unitholder in respect of the Deposited Securities;
- (xiv) agreed that the Depositary and Information Agent will act as the agent of persons who have deposited Units, in respect of their Deposited Units, in acceptance of the Offer for the purposes of receiving cash payment, and transmitting such cash payment to such persons, and receipt thereof by the Depositary and Information Agent shall be deemed to constitute receipt thereof by persons depositing Units;
- (xv) acknowledged that if more than the maximum number of Units for which the Offer is made are deposited in accordance with the Offer and not withdrawn at the time of take up of the Deposited Units, the Deposited Units to be purchased from each depositing Unitholder will be determined on a *pro rata* basis according to the number of Deposited Units deposited by each Unitholder, disregarding fractions, by rounding down to the nearest whole number of Deposited Units;
- (xvi) acknowledged that if any Deposited Units are not accepted for take up and payment pursuant to the terms and conditions of the Offer for any reason, such Deposited Units will be credited to the depositing Unitholder's account maintained with CDS;
- (xvii) agreed that all questions as to validity, form, eligibility, timely receipt and acceptance and/or withdrawal of any Deposited Units will be determined by the Offeror at its sole discretion and that such determination will be final and binding and acknowledges that: (a) the Offeror reserves the absolute right to reject any and all deposits of Deposited Units which the Offeror determines not to be in proper form or which may be unlawful to accept under the laws of any jurisdiction, (b) the Offeror reserves the absolute right to waive any defect or irregularity in the deposit of any Deposited Units, (c) there shall be no duty or obligation on the Offeror or the Depositary and Information Agent or any other person to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them for failure to give such notice, (d) the Offeror's interpretation of the terms and conditions of the Offer, if made in accordance with applicable law, shall be final and binding, and (e) the Offeror reserves the right to permit the Offer to be accepted in a manner other than as set forth in this letter;
- (xviii) acknowledged that the Offer and all contracts resulting from the acceptance of the Offer will be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein without regard to any conflict of laws principles that might give rise to the application of the laws of another jurisdiction, and that it unconditionally and irrevocably attorns to the

exclusive jurisdiction of the courts of the Province of Ontario, Canada and the courts of appeal therefrom;

- (xix) acknowledged that the Offer is not being made to, nor will deposits be accepted from or on behalf of, Unitholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction; and
- (xx) acknowledged that the Offeror and the Depositary and Information Agent may be required to disclose personal information in respect of the Unitholder and consents to disclosure of personal information in respect of the undersigned to: (a) stock exchanges or securities regulatory authorities, (b) the Depositary and Information Agent, (c) any of the parties to the Offer, and (d) legal counsel or financial advisors to any of the parties to the Offer.

The Offeror reserves the right to permit the Offer to be accepted in a manner other than that set forth above.

Unitholders will not be required to pay any fee or commission if they accept the Offer by delivering their Units directly with CDS. Cash payable to a Unitholder in connection with the Offer will be paid in Canadian dollars.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from, or on behalf of, Unitholders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror or its agents may, in the sole discretion of the Offeror, take such action as the Offeror may deem necessary to extend the Offer to Unitholders in any such jurisdiction.

Unitholders should not construe the contents of the Offer as legal or financial advice and should consult with their own independent professional advisors as to the relevant legal, financial or other matters in connection therewith.

3 Time for Acceptance

The Offer is open for acceptance by Unitholders until 5:00 p.m. (Toronto time) on Thursday, February 11, 2021, or until such later or earlier time that the Offer may be extended or varied, or, in the event the conditions to the Offer are not met, until the Offer is withdrawn by the Offeror, in each case in its sole and absolute discretion.

4 Conditions to the Offer

The Offeror will have the right to extend or vary the Offer at any time in its sole discretion. In addition, the Offeror will not be required to accept for payment, take up, purchase or pay for any Deposited Units under the Offer, unless all of the following conditions are satisfied or waived by the Offeror in its sole discretion at or prior to the time at which the Offeror proposes to accept Deposited Units for take up under the Offer:

- (i) if a record date is set for any meeting of holders of relevant securities of the Fund (whether annual, special or otherwise or any adjournment or postponement thereof) prior to the Effective Date, holders of Deposited Units must have been the holders of such Units as of such record date;
- (ii) no regulatory approvals, consents, clearances, waivers, permits, reviews, orders, rulings, decisions and/or exemptions shall be necessary or desirable to complete the Offer;

- (iii) there shall not be threatened, instituted or pending any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction or otherwise, (a) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for purchase for some or all of the Units by the Offeror or otherwise directly or indirectly relating in any manner to or affecting the Offer, (b) challenging, or seeking to make illegal, delay or otherwise directly or indirectly restrain or prohibit the voting of Purchased Units by the Offeror at any meeting of unitholders of the Fund, or (c) seeking material damages or that otherwise, or in the sole judgment of the Offeror, has or may have a material adverse effect on the Units or the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of the Fund, SIR Corp. or the Offeror, or any of their respective subsidiaries, partners or affiliates, or has impaired or may materially impair the contemplated benefits of the Offer to the Offeror;
- (iv) any change or changes shall not have occurred (or any development shall not have occurred involving any prospective change or changes) in the business, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of the Fund, SIR Corp. or its / their respective subsidiaries or affiliates that, in the sole judgment of the Offeror, has or may have material adverse significance with respect to the Fund, SIR Corp. or the Offeror;
- (v) the Offeror shall not have determined, in its sole judgment, that there exists any prohibition at law against the Offeror making the Offer or taking up and paying for any Deposited Units; and
- (vi) the Fund shall not have entered into a unitholders rights plan or similar agreement or have undertaken or announced any action which could have a material adverse impact on the Offer.

The foregoing conditions are for the sole benefit of the Offeror and may be asserted by the Offeror regardless of the circumstances giving rise to any such assertion (including any action or inaction by the Offeror or any of its affiliates or associates) or may be waived by the Offeror in whole or in part (including with respect to some and not all Deposited Units) at any time and from time to time, both before and after the Expiry Time, in its sole discretion, without prejudice to any other rights which the Offeror may have.

Any waiver of a condition or the withdrawal of the Offer by the Offeror shall be deemed to be effective on the date on which notice of such waiver or withdrawal is delivered or otherwise communicated to the Depositary and Information Agent.

The failure by the Offeror at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time. Any determination by the Offeror concerning the events described in this section shall be final and binding on the Offeror and all Unitholders.

The Offeror reserves the absolute right to reject any or all deposits of Units determined by it in its sole discretion not to be in proper form, or the acceptance for payment of, or payment for, which may, in the opinion of the Offeror's counsel, be unlawful under the laws of any jurisdiction. The Offeror also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in any deposit of Units. For greater certainty, deposits of Units in respect of which the

holder thereof shall have validly revoked proxies appointing representatives of the Offeror as their respective proxy for any meeting of holders of relevant securities of the Fund (whether annual, special or otherwise or any adjournment or postponement thereof), shall be considered to not be in proper form and may be rejected.

5 Withdrawal Rights

Deposited Units may be withdrawn at any time prior to any of them being taken up by the Offeror. A withdrawal of Deposited Units must be effected via CDS and through a Unitholder's broker or other nominee. A Unitholder's broker or other nominee may set deadlines for the withdrawal of Deposited Units that are earlier than those specified in the Offer. Unitholders who wish to withdraw Deposited Units should contact their investment dealer, broker or other nominee in order to take the necessary steps to be able to withdraw such Deposited Units. Participants of CDS should contact the Depositary and Information Agent with respect to the withdrawal of Deposited Units.

Except as otherwise provided herein, all deposits of Deposited Units will be irrevocable. Unless otherwise required or permitted by applicable law, any Deposited Units may be withdrawn by or on behalf of the depositing Unitholder at any time before such Deposited Units are taken up by the Offeror.

All questions as to form and validity (including, without limitation, time of receipt) of notices of withdrawal shall be determined by the Offeror in its sole discretion and such determination shall be final and binding. There shall be no duty or obligation on the Offeror, the Depositary and Information Agent or any other person to give notice of any defect or irregularity in any notice of withdrawal and no liability shall be incurred by any of them for failure to give such notice.

Any Units properly withdrawn will thereafter be deemed not validly deposited for the purposes of the Offer. However, withdrawn Units may be re-deposited at any subsequent time prior to the Expiry Time by again following the procedures described in Section 2 hereof.

Subject to applicable law and the terms and conditions herein, if the Offeror extends the period of time during which the Offer is open, is delayed in taking up or paying for the Deposited Units or is unable to take up or pay for the Deposited Units for any reason, then, without prejudice to the Offeror's other rights under the Offer, the Depositary and Information Agent may retain on behalf of the Offeror all Deposited Units, and such Deposited Units may not be withdrawn except to the extent that depositing Unitholders are entitled to withdrawal rights as set forth herein or pursuant to applicable law.

6 Who May Accept

The Offer is open for acceptance by all registered and beneficial holders of Units.

7 Take Up of Units

If more than the maximum number of Units for which the Offer is made are deposited in accordance with the Offer and not withdrawn at the time of take up of the Deposited Units, the Deposited Units to be purchased from each depositing Unitholder will be determined on a *pro rata* basis according to the number of Deposited Units deposited by each Unitholder, disregarding fractions, by rounding down to the nearest whole number of Deposited Units. If the conditions of the Offer are satisfied or waived by the Offeror, the Offeror will take up all Deposited Units (or if more than 825,000 Deposited Units are tendered, proportionately take up Deposited Units in accordance with the provisions of the Offer) validly deposited under the Offer, and not properly withdrawn, not later than immediately after the Expiry Time (but in any event no earlier than 5:00 p.m. (Toronto time) on Thursday, February 11, 2021) and will pay for such Deposited Units taken up as soon as possible but not later than three (3) business days after such Deposited Units are taken up.

8 Extension, Variation or Withdrawal of the Offer

The Offer is open for acceptance up to and including, but not after, the Expiry Time.

The Offeror expressly reserves the right, in its sole discretion, at any time and from time to time while the Offer is open for acceptance, to: (i) extend or vary the Offer; or (ii) extend the period of time during which the Offer is open by giving written or oral notice to be confirmed in writing of extension or variation to the Depositary and Information Agent and by causing the Depositary and Information Agent to provide, as soon as practicable thereafter, a copy of such notice to CDS, as the registered holder of all Units. Any notice of extension or variation will be deemed to have been given and to be effective on the day on which it is delivered or otherwise communicated to the Depositary and Information Agent at its principal office in Toronto, Ontario, Canada.

The Offeror also expressly reserves the right, in its sole discretion, to withdraw the Offer if the conditions thereto are not met and, if withdrawn, the Offeror will not be required to take up or pay for any Units delivered pursuant to the Offer.

The Offeror will, as soon as possible after giving notice of an extension or variation to the Depositary and Information Agent, or after withdrawing the Offer in accordance with this letter, issue a press release announcing the terms of such extension, variation or withdrawal.

9 Changes in Capitalization, Encumbrances, Distributions

If, on or after the date of the Offer, the Fund should divide, combine or otherwise change any of the Units or its capitalization, or disclose that it has taken or intends to take any such action, the Offeror, in its sole discretion and without prejudice to its rights under Section 4 hereof, may make such adjustments as it considers reasonably appropriate to the Purchase Price and the other terms of the Offer (including the type of securities offered to be purchased and the amounts payable therefor) to reflect that division, combination or other change.

10 Additional Information

The Offeror is relying on the exemption under section 9.2(4) of National Instrument 51-102 - *Continuous Disclosure Obligations* to make a public broadcast solicitation of proxies. The following information is provided in accordance with securities laws applicable to public broadcast solicitations.

This solicitation is being made by the Offeror, and not by or on behalf of the management of the Fund. Laurel Hill Advisory Group will receive a minimum fee of \$25,000 for its services as Depositary and Information Agent under the Offer plus ancillary payments and disbursements. Based upon publicly available information, the Fund's principal and head office is at 5360 South Service Road, Suite 200, Burlington, Ontario, L7L 5L1. The Offeror is soliciting proxies in reliance upon the public broadcast exemption to the solicitation requirements under applicable Canadian securities laws, conveyed by way of public broadcast, including press release, speech or publication, and by any other manner permitted under applicable Canadian laws. In addition, the solicitation may be made by mail, telephone, facsimile, email or other electronic means as well as by newspaper or other media advertising and in person by officers of the Offeror. All costs incurred for the solicitation will be borne by the Offeror or its affiliates.

A registered Unitholder who has given a proxy under the terms of this letter may, prior to its Deposited Units being taken up and paid for under the Offer, revoke the proxy (i) by completing a proxy signed by the Unitholder or by the Unitholder's attorney authorized in writing bearing a later date and depositing it with the transfer agent of the Fund; (ii) by depositing an instrument of revocation in writing executed by the Unitholder or by the Unitholder's attorney authorized in writing: (x) at the head office of the Fund (namely, Suite 200, 5360 South Service Road, Burlington, Ontario L7L 5L1) at any time up to and including the last business day preceding the day of the meeting,

or any adjournment of the meeting, at which the proxy is to be used, or (y) with the Chairperson at the meeting, prior to the exercise of the proxy; or (iii) in any other manner permitted by law, provided that in each circumstance a copy of such revocation has been delivered to the Depositary and Information Agent at its principal office in Toronto, Ontario, Canada prior to the Units relating to such proxy having been taken up and paid for under the Offer. A non-registered Unitholder may, subject to the terms of this letter, revoke a form of proxy or voting instruction form given to an intermediary at any time by written notice to the intermediary in accordance with the instructions given to the non-registered Unitholder by its intermediary, provided that notice thereof is provided to the Offeror. Non-registered Unitholders should contact their broker for assistance in ensuring that forms of proxies or voting instructions previously given to an intermediary are properly revoked. None of the Offeror and its directors and officers, or, to the knowledge of the Offeror, any associates or affiliates of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Fund's most recently completed financial year, or in any proposed transaction which has materially affected or will materially affect the Fund or any of its subsidiaries. None of the Offeror or, to its knowledge, any of its associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at any upcoming Unitholders' meeting, other than as set out herein.

11 Applicable Law

The Offer shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein.

12 Language

Each of the Offeror and the Unitholder acknowledges that it has consented and requested that all documents evidencing or relating in any way to this Offer be drawn up in the English language only. *L'initiateur et le porteur de parts reconnaissent chacun pour sa part par les présentes avoir consenti et demandé à ce que tous les documents attestant ou se rapportant de quelque manière que ce soit à la présente Offre soient rédigés en anglais seulement.*

The Depositary and Information Agent for the Offer is:



Laurel Hill Advisory Group
70 University Avenue, Suite 1440
Toronto, ON M5J 2M4

North American Toll Free Phone:
1-877-452-7184

Collect Outside of North America:
1-416-304-0211

E-mail: assistance@laurelhill.com

By Mail:
PO Box 370, STN Adelaide
Toronto, Ontario
Canada M5C 2J5

By Registered Mail or Courier:
70 University Avenue, Suite 1440
Toronto, Ontario
Canada M5J 2M4

Facsimile:
1-416-646-2415

Any questions or requests for assistance may be directed by Unitholders to the Depositary and Information Agent at its telephone number and location set out above. You may also contact your broker, dealer, commercial bank or trust company or other nominee for assistance concerning the Offer.