NOTICE OF SPECIAL MEETING OF MINORITY SHAREHOLDERS

OF PENDER PRIVATE INVESTMENTS INC.

TO BE HELD ON AUGUST 9, 2023

and

MANAGEMENT INFORMATION CIRCULAR

with respect to a proposed

PLAN OF ARRANGEMENT

involving

PENDER PRIVATE INVESTMENTS INC.

and

PENDER GROWTH FUND INC.

The Board of Directors (with the Interested Director abstaining) of Pender Private Investments Inc. unanimously recommends that Minority Shareholders vote <u>FOR</u> the Arrangement Resolution

July 14, 2023

July 14, 2023

Dear Shareholders:

You are invited to attend a special meeting of Minority Shareholders being held on Wednesday, August 9, 2023 at 1:00 p.m. (Vancouver time) at 1066 West Hastings Street (Hastings Room), Vancouver, B.C. (the "**Meeting**").

At the Meeting, you are being asked to vote on a proposed acquisition of your Legacy Shares by Pender Growth Fund Inc. ("**PTF**"). The transaction is referred to as the "Arrangement" in the Information Circular. Under the Arrangement, the proposed purchase price is $6.8184 per Legacy Share (subject to the +/- 5% adjustment described below) which is equal to 100% of the Net Asset Value per Legacy Share.

To vote, enter the control number on your proxy and vote your shares at www.meeting-vote.com.

In 2021 shareholders of Working Opportunity Fund (EVCC) Ltd. (since renamed Pender Private Investments Inc. and referred to as "**PPI**" or the "**Company**"), were provided a choice to sell their Legacy Shares or remain invested. As a remaining shareholder, following the partial redemption of approximately 62% of your Legacy Shares, you now have an opportunity to divest your remaining Legacy Shares at $6.8184 per Legacy Share, subject to the +/- 5% adjustment described below.

As at the date of the Fairness Opinion, approximately 77% of PPI's total assets were publicly traded shares of Copperleaf Technologies Inc. (TSX:CPLF). PPI is subject to significant administrative expenses to maintain investor accounts and operate as a reporting issuer, which are ultimately borne by shareholders and erode the value of its Portfolio. The Arrangement provides cash to the Minority Shareholders immediately.

The proposed purchase price is $6.8184 per Legacy Share (which was equal to 100% of the Net Asset Value per Legacy Share on June 13, 2023), adjusted as follows: the Net Asset Value per Legacy Share will be recalculated five Business Days before closing of the Arrangement and the purchase price is subject to a maximum 5% upward or downward adjustment depending on such calculation, such that the minimum purchase price will be $6.4775 and the maximum purchase price will be $7.1593.

In evaluating and unanimously approving the Arrangement, a committee of the independent directors of the Company (the "**Special Committee**") and the board of directors of the Company (the "**Board**") gave careful consideration to the current and expected future position and condition of the business of the Company, and all terms of the draft Arrangement Agreement, including the conditions precedent. The factors the Board and the Special Committee considered are described in detail in the following Information Circular, which we urge to you read in its entirety.

The Special Committee and the Board have each unanimously determined that the Arrangement is in the best interests of the Company and is fair to Minority Shareholders, and the Board unanimously recommends that the Minority Shareholders vote in favour of the Arrangement Resolution.

You may attend the meeting virtually however **you will not be able to vote virtually** so please review the enclosed proxy carefully for instructions on how to vote if you are not attending the Meeting in person. If you would like to attend the Meeting virtually please register by contacting Tony Rautava by email at TRautava@penderfund.com.

To be effective, the Arrangement Resolution must be approved by at least two-thirds of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting and entitled to vote. Accordingly, your vote is important.

Yours truly,

(Signed) "Maria Pacella"

Maria Pacella
Chief Executive Officer & Director

PENDER PRIVATE INVESTMENTS INC.

1830 - 1066 West Hastings Street
Vancouver, British Columbia

NOTICE OF SPECIAL MEETING OF MINORITY SHAREHOLDERS

NOTICE IS HEREBY GIVEN that pursuant to an interim order of the Supreme Court of British Columbia (the "**Court**") dated July 6, 2023, as same may be amended (the "**Interim Order**"), a special meeting of the holders of Legacy Shares (as defined herein) of Pender Private Investments Inc. ("**PPI**" or the "**Company**"), excluding Pender Growth Fund Inc. (the "**Minority Shareholders**") will be held on Wednesday, August 9, 2023 at 1:00 p.m. (Vancouver time) at the offices of the Company, Hastings Room, 1066 West Hastings Street, Vancouver, B.C. (the "**Meeting**").

The Meeting is being held for the following purposes:

1. to consider, and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix A to the accompanying management information circular (the "**Circular**"), to approve a statutory plan of arrangement (the "**Arrangement**") pursuant to section 288 of the *Business Corporations Act* (British Columbia) pursuant to which Pender Growth Fund Inc. ("**PTF**") will acquire all of the outstanding Legacy Shares not currently owned by PTF, on the terms and subject to the conditions of the Arrangement Agreement, all as more particularly described in the Circular; and

2. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The enclosed Circular contains a summary of the terms of the arrangement agreement between PPI and PTF dated June 21, 2023 (the "**Arrangement Agreement**") entered into in connection with the Arrangement. A complete copy of the Arrangement Agreement may be found under the Company's issuer profile on SEDAR at www.sedar.com and is incorporated by reference into the Circular.

To become effective, subject to any further order of the Court, the Arrangement Resolution must be approved by at least two-thirds of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat.

Registered Shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement Resolution becomes effective, to be paid the fair value of their Legacy Shares in accordance with the provisions of the *Business Corporations Act*, as may be modified by the Plan of Arrangement, the Interim Order and the Final Order, as described in the Circular under the heading "*The Arrangement – Dissent Rights*". A dissenting Registered Shareholder's written objection to the Arrangement Resolution must be received by the Company not later than 5:00 p.m. (Vancouver time) two business days immediately preceding the date of the Meeting or any adjournment or postponement thereof. **Failure to strictly comply with the requirements with respect to the dissent rights set forth in the *Business Corporations Act*, as may be modified by the Interim Order, the Final Order and the Plan of Arrangement, may result in the loss of any right to dissent. Persons who are beneficial owners of Legacy Shares registered in the name of a broker, custodian, nominee or other intermediary and who wish to dissent must make arrangements for the Legacy Shares beneficially owned by them to be registered in their name before the time the written objection to the Arrangement Resolution is required to be received by the Company or, alternatively, make arrangements for the registered holder of such Legacy Shares to dissent on their behalf. It is strongly recommended that any shareholder wishing to dissent with respect to the Arrangement Resolution seek independent legal advice, as the failure to comply strictly with the provisions of the *Business Corporations Act*, as modified by the Interim Order, the Final Order and the Plan of Arrangement, may prejudice such shareholder's right to dissent**.

DATED at Vancouver, British Columbia this 14th day of July, 2023.

By Order of the Board of Directors

"Maria Pacella"
Maria Pacella
Chief Executive Officer

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MANAGEMENT INFORMATION CIRCULAR

DATED AS OF JULY 14, 2023
(except as otherwise provided)

Defined Terms

In this Circular, unless otherwise indicated or the context otherwise requires, terms defined under the heading "*Glossary of Terms*" shall have the meaning attributed thereto. Words importing the singular include the plural and *vice versa* and words importing any gender include all genders.

Information Contained in this Circular

The information contained in this Circular, unless otherwise indicated, is given as of July 14, 2023.

No person is authorized by the Company to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful. Information contained in this Circular should not be construed as legal, tax or financial advice, and Minority Shareholders should consult their own professional advisors concerning the consequences of the Arrangement in their own circumstances.

Neither the Arrangement (including its fairness or merits) nor this Circular (including the accuracy or adequacy of the information contained in this Circular) has been approved or disapproved by any securities regulatory authority (including any Canadian provincial or territorial securities regulatory authority), and any representation to the contrary is unlawful.

All summaries of, and references to, the Arrangement Resolution, the Notice of Hearing of Petition for Final Order, the Interim Order, the Arrangement Agreement, the Plan of Arrangement, or the Fairness Opinion in this Circular are qualified in their entirety by reference to the complete text of these documents, each of which is included as an appendix to this Circular, other than the Arrangement Agreement which may be found under the Company's issuer profile on SEDAR at www.sedar.com. **Minority Shareholders are urged to carefully read the full text of these documents.**

Financial Information

Unless otherwise indicated, all financial information referred to in this Circular was prepared in accordance with IFRS.

This Circular contains two non-IFRS measures, Net Asset Value and Net Asset Value per Share. The Company uses two financial measures that are individually recognized under IFRS, assets and liabilities, to calculate Net Asset Value. The calculation of Net Asset Value is determined by the Company's assets less liabilities. The Company uses three financial measures that are individually recognized under IFRS, assets, liabilities and number of shares outstanding, to calculate Net Asset Value per Share. The calculation of Net Asset Value per Share is determined by the Net Asset Value divided by the number of shares outstanding.

Currency

Unless otherwise indicated, all references in this Circular to dollars or "$" are to Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained or incorporated by reference in this Circular, including, but not limited to, any information as to the future financial or operating performance of the Company and its affiliates, constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws, including the provisions of the *Securities Act* (British Columbia), and are based on expectations, estimates and projections as of the date of this Circular. This forward-looking information includes, but is not limited to, statements and information concerning: the status and prospects of the industries in which the Company operates; the business and future activities of PTF and the Company after the date of this Circular; the anticipated benefits of the Arrangement; the timing for the implementation of the Arrangement; the likelihood of the Arrangement being completed in a timely manner or at all; statements, projections and forecasts made in, and based upon, the Fairness Opinion; the timing of the Meeting and the Final Order; the receipt of the Minority Shareholder Approval; the expected timing and anticipated receipt of the Regulatory Approvals; the anticipated tax treatment of the Arrangement for Minority Shareholders; the exercise of Dissent Rights by Registered Shareholders in respect of the Arrangement; the ability of the Parties to satisfy the other conditions to the completion of the Arrangement; and, other statements that are not historical facts. The words "plans", "expects" or "does not expect", "is expected", "can reasonably be expected", "budget", "objective", "scheduled", "estimates", "forecasts", "guidance", "targets", "models", "intends", "is anticipated", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might", or "will be taken", "occur", "be achieved" or "continue" and similar expressions often, but not always, identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of factors and assumptions, some of which are beyond the Company's control. The forward-looking information contained in this Circular is based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the anticipated benefits of the Arrangement, the receipt, in a timely manner, of the Minority Shareholder Approval, the exercise of Dissent Rights, the approval of the Court and Regulatory Approvals in respect of the Arrangement and the Effective Date of the Arrangement.

Known and unknown risk factors could cause actual results to differ materially from those projected in the forward-looking statements. Such risk factors include, but are not limited to, general global economic, market and business conditions; governmental and regulatory requirements and actions by governmental authorities; relationships with customers, employees, business partners and competitors. There are also risks that are inherent in the nature of the Arrangement, including: failure to satisfy the conditions to the completion of the Arrangement; the Arrangement Agreement may be terminated in certain circumstances; and failure to obtain the Regulatory Approvals or any other required approvals (or to do so in a timely manner). The anticipated timeline for completion of the Arrangement may change for a number of reasons, including the inability to secure necessary regulatory, court or other approvals in the time assumed or the need for additional time to satisfy the conditions to the completion of the Arrangement. As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this Circular. A comprehensive discussion of other risks and uncertainties facing the Company can also be found in the Company's public reports and filings which are available under the Company's issuer profile on SEDAR at www.sedar.com.

Readers are cautioned not to place undue reliance on the forward-looking information. The Company does not undertake to revise forward-looking information to reflect subsequent events or circumstances, except as required by law. The forward-looking information contained herein is made as of the date hereof, is subject to change after such date, and is expressly qualified in its entirety by cautionary statements in this Circular.

GLOSSARY OF TERMS

"**Administrative Expenses**" means accrued but unpaid and unwaived administrative expenses payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out in the Plan of Arrangement equalled $14,327.83 in the aggregate.

"**Arrangement**" means an arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act, on the terms and subject to the conditions set forth in the Plan of Arrangement, subject to any amendment, variation or supplement thereto made in accordance with the Arrangement Agreement and the Plan of Arrangement or, with the written consent of PPI and PTF, each acting reasonably, made at the direction of the Court in the Final Order.

"**Arrangement Agreement**" means the arrangement agreement dated June 21, 2023 between PTF and PPI (including the schedules thereto), as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving the Arrangement to be considered by the Minority Shareholders at the Meeting, substantially in the form and content attached to this Circular as Appendix A.

"**Board**" means the board of directors of PPI.

"**Business Day**" means any day other than Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia.

"**Business Corporations Act**" means the *Business Corporations Act* (British Columbia).

"**Circular**" means this management information circular, including all appendices hereto, as it may be amended, restated or supplemented from time to time.

"**Company**" means Pender Private Investments Inc., a company existing under the laws of British Columbia.

"**Court**" means the British Columbia Supreme Court.

"**Dissent Procedures**" has the meaning set out in the Plan of Arrangement.

"**Dissent Rights**" has the meaning set out in the Plan of Arrangement.

"**Dissenting Shareholder**" means a registered holder of Legacy Shares who has validly exercised his, her or its Dissent Rights in respect of the Arrangement in strict compliance with the Dissent Procedures and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

"**Effective Date**" means the date the Arrangement completes, as determined in accordance with the Arrangement Agreement.

"**Effective Date NAV per Legacy Share"** means the NAV per Legacy Share as at the date that is five Business Days prior to the Effective Date.

"**Effective Time**" means the time when the transactions contemplated in the Arrangement Agreement are deemed to have been completed, which shall be 10:00 a.m. (Vancouver time) on the Effective Date or such other time as the Parties agree to in writing prior to such time.

"**Fairness Opinion**" means the opinion of Evans & Evans, Inc., as fairness opinion provider, to PPI dated June 21, 2023, to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, that the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

"**Final Order**" means the final order of the Court approving the Arrangement, in a form acceptable to the Parties, each acting reasonably, as such order may be amended by the Court (with the written consent of each of the Parties, each acting reasonably) at any time prior to the Effective Date or as such order may be affirmed or amended on appeal (with the written consent of each of the Parties, each acting reasonably).

"**Governmental Entity**" means any

(a) international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or Tribunal;

(b) subdivision, agent, commission, board, ministry, bureau, agency or authority of any of the foregoing; or

(c) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

"**Interested Director**" means Ms. Maria Pacella.

"**Interim Order**" means the interim order of the Court attached to this Circular as Appendix D.

"**Legacy Assets**" has the meaning given to such term in the articles of PPI.

"**Legacy Shares**" means the series of Class A shares in the authorized share structure of PPI that have been identified as authorized as "Legacy Shares" and "Legacy Share" shall refer to any share of such series.

"**Letter of Intent**" means the formal letter of intent from PTF with respect to the Proposed Transaction.

"**Management Agreement**" means the amended and restated management agreement between PPI and the Manager dated May 28, 2021.

"**Management Fees**" means accrued but unpaid and unwaived management fees payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out in the Plan of Arrangement equalled $194,250.25 in the aggregate.

"**Manager**" means PenderFund Capital Management Ltd., the investment manager of PPI.

"**Material Adverse Effect**" when used in connection with PTF or PPI, means any change, effect, development, event or occurrence that has an effect that is, or would reasonably be expected to cause, a Material Adverse Change with respect to such Party and its subsidiaries taken as a whole.

"**Material Adverse Change**", when used in connection with PTF or PPI, means:

(a) any change, effect, development, event or occurrence that, individually or in the aggregate, prevents, or would reasonably be expected to prevent, such Party from performing its material obligations under the Arrangement Agreement prior to the Outside Date; or

(b) any change, effect, development, event or occurrence that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, operations, condition, affairs, liabilities (contingent or otherwise), or obligations (whether absolute, conditional or otherwise) of such Party and its subsidiaries taken as a whole,

other than, in each case, any change, effect, development, event or occurrence arising out of, relating to, resulting from or attributable to:

(i) the execution, announcement, pendency or performance of the Arrangement Agreement or consummation of the Arrangement or other transactions contemplated by the Arrangement Agreement (including, for greater certainty, the incurrence of any reasonable transaction costs that have a materially negative effect on the working capital position of such Party);

(ii) general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or any change, effect, development, event or occurrence in the Canadian or international economy or financial, securities or capital markets in general;

(iii) any enactment, adoption, proposal, implementation or any change in applicable Laws or in GAAP;

(iv) any disease outbreaks, pandemics or epidemics or other related condition, including COVID-19;

(v) any labour strike, dispute, work slowdown or stoppage involving or threatened against a Party or its affiliate;

(vi) any effect resulting from an act of terrorism or any outbreak of hostilities or declared or undeclared war (or any escalation or worsening of any of the foregoing);

(vii) any natural disaster;

(viii) any change in the market price or trading volume of any securities of PTF or in the Portfolio (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Change has occurred, provided that such causes are not referred to in clauses (a)-(vii) above), or any suspension of trading in securities generally on any securities exchange on which any securities of PTF or in the Portfolio trade; or

(ix) any action taken or omitted to be taken by PTF or PPI at the request of the other or that is required or contemplated to be taken or omitted to be taken by the Arrangement Agreement;

provided, however, that the effect referred to in clauses (ii) to (viii) above does not primarily relate to (or have the effect of primarily relating to) the Party or the Party's subsidiaries, taken as a whole, or disproportionately adversely affect the Party and the Party's subsidiaries, taken as a whole, compared with other companies of a similar size operating in the industry and jurisdiction in which that Party and that Party's subsidiaries operate.

"**Meeting**" means the special meeting of Minority Shareholders to be held on August 9, 2023, in accordance with the Interim Order to consider the Arrangement Resolution and any other proper purpose set out in the Notice, and any adjournment(s) or postponement(s) thereof.

"**Minority Shareholder**" means a holder of one or more Legacy Shares, excluding PTF.

"**Minority Shareholder Approval**" means the approval of the Arrangement Resolution by at least two-thirds of the votes cast on the Arrangement Resolution by the Minority Shareholders present in person of represented by proxy at the Meeting.

"**Minority Shares**" means all Legacy Shares, other than Legacy Shares owned by PTF.

"**Net Asset Value**" or "**NAV**" as at any date means the total net asset value of the Legacy Assets of PPI that are assets of PPI as at such date, which shall be determined in accordance with the following:

(a) for publicly traded shares within PPI's portfolio, the 30-day volume-weighted average price of such shares on the principal stock exchange on which such shares are listed, calculated as at such date;

(b) for private companies within PPI's portfolio, 100% of the estimated fair value of such shares (as determined by the Manager) as at such date calculated consistent with past practice as reflected in the audited financial statements of PPI;

(c) *less* the following:

(i) the Management Fees;

(ii) the Performance Fees; and

(iii) the Administrative Expenses.

"**Net Asset Value per Legacy Share**" or "**NAV per Legacy Share**" means, as of a given date, the NAV as of such date, divided by the total number of Legacy Shares of PPI issued and outstanding as of such date.

"**Notice**" means the notice of special meeting of Minority Shareholders dated July 14, 2023 accompanying this Circular.

"**Notice of Hearing of Petition for Final Order**" means the Notice of Hearing of Petition and the Petition to the Court attached to this Circular as Appendix E.

"**Outside Date**" means September 30, 2023 or such later date as may be agreed upon by the PPI and PTF.

"**Parties**" means PTF and PPI and "**Party**" means either of them.

"**Performance Fees**" means accrued but unpaid and unwaived performance fees payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out in the Plan of Arrangement equalled $8,092,293.20 in the aggregate.

"**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, company, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status;

"**Plan of Arrangement**" means the plan of arrangement attached to this Circular as Appendix B.

"**Portfolio**" means the portfolio consisting of interests in the companies or other entities in which PPI has made investments and "**Portfolio Companies**" means such companies or other entities within the Portfolio.

"**PPI**" means Pender Private Investments Inc., a company existing under the laws of British Columbia.

"**PPI Shareholder**" means a holder of one or more Legacy Shares.

"**Proposed Transaction**" means the proposed acquisition of the Minority Shares by PTF by way of a plan of arrangement.

"**PTF**" means Pender Growth Fund Inc., a company existing under the laws of British Columbia.

"**Purchase Price**" means $6.8184 provided, however, that:

(a) in the event the Effective Date NAV per Legacy Share is greater than $6.8184, the Purchase Price shall be *lesser* of $7.1593 and the Effective Date NAV per Legacy Share; and

(b) in the event the Effective Date NAV per Legacy Share is less than $6.8184, the Purchase Price shall be *greater* of $6.4775 and the Effective Date NAV per Legacy Share.

"**Record Date**" means July 7, 2023.

"**Registered Shareholder**" means a Minority Shareholder whose name appears on the register of PPI Shareholders maintained by or on behalf of the Company.

"**Regulatory Approvals**" means those sanctions, rulings, consents, waivers, orders, exemptions, permits and other approvals (including the termination, waiver, or lapse, without objection, of a prescribed time imposed by Law or a Governmental Entity that states that a transaction may be implemented if a prescribed time lapses following the giving of a notice without an objection being made) of Governmental Entities required in connection with the consummation of the Arrangement.

"**Shares**" means the Class A Shares of PPI.

"**Special Committee**" means the special committee of members of the Board formed in relation to the proposal to effect the transactions contemplated by the Arrangement Agreement.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended.

GENERAL PROXY INFORMATION

The Company is managed by PenderFund Capital Management Ltd. (the "**Manager**"). While the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Company and the Manager at nominal cost. The cost of solicitation will be borne by the Manager.

"You" in this section refers to holders of Legacy Shares other than PTF. The holders of Legacy Shares are the individual holders of Legacy Shares, whether they hold them directly or beneficially. As the Company maintains the records of the beneficial shareholders holding Legacy Shares, this Circular is being sent to beneficial shareholders directly by the Company.

If you have questions about the procedures for voting your Legacy Shares, please contact TSX Trust Company at 1-800-387-0825 or via email at shareholderinquiries@tmx.com.

You may vote at the Meeting or you may appoint someone else to vote for you as proxy holder using one of the applicable methods set out below by no later than 1:00 p.m. (Vancouver time) on **August 7, 2023** or, if the Meeting is adjourned, 1:00 p.m. (Vancouver time) on the business day preceding the adjourned meeting. If you choose to vote by proxy, you may still attend the Meeting. The Chair of the Meeting may also exercise his or her discretion to accept proxies delivered at any time prior to the commencement of the Meeting.

If a shareholder has submitted a proxy and that shareholder or their proxy holder attends the Meeting, any votes cast on a specific ballot during the Meeting will be counted. This means that if you had already submitted a proxy and vote at the Meeting, your submitted proxy will be disregarded for the voting on that specific ballot.

Proxies are to be deposited at the office of TSX Trust Company, Attn: Proxy Department at P.O. Box 721, Agincourt, ON M1S 0A1. You may alternatively fax your proxy to 416-595-9593 or scan and email to proxyvote@tmx.com.

Please see your enclosed form of proxy for further voting instructions, including how to vote over the Internet or by telephone.

The individuals named in the enclosed form of proxy for the Meeting are officers or directors of the Company. If a shareholder appoints one of the persons designated in the accompanying form of proxy, then, in the absence of any contrary instructions on the proxy, the proxy will be voted in favour of all matters proposed by the Company at the Meeting. Shareholders have the right to appoint some other person, who need not be a shareholder, to act as their representative at the Meeting. To exercise this right, you may do so by internet or you may insert the other person's name in the blank space provided in the form of proxy or you may complete and submit a similar form of proxy and send in your proxy by mail or fax (as making such appointment is not available by telephone voting).

A vote cast in accordance with the terms of a proxy will be valid notwithstanding the previous death, incapacity or bankruptcy of the shareholder on whose behalf the proxy was given or the revocation of the appointment unless written notice of such death, incapacity, bankruptcy or revocation, as applicable, is received by the Chair of the Meeting at any time before the vote is cast.

The enclosed form of proxy when properly delivered and not revoked, confers discretionary authority upon those persons named with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

Revocation of Proxies

A Minority Shareholder may revoke a proxy on any matter on which it has not been previously exercised:

(a) by depositing an instrument in writing executed by him or by his attorney authorized in writing, or, if the shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer, with evidence of the authority of such attorney or officer, as applicable, accompanying the proxy: (i) with the Company at any time up to and including the last business day before the day of the Meeting or any adjournment thereof at which the proxy is to be used, or (ii)

with the Chair of the Meeting at the scheduled commencement of the Meeting or adjournment thereof at which time the proxy is to be used, or

(b) in any other manner permitted by law.

Revocation of proxies may also be done electronically. Shareholders who wish to revoke proxies electronically are urged to contact the Company to determine the availability, and instructions for the use, of this option.

Voting and Exercise of Discretion of Proxies

The securities represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon the securities will be voted accordingly.

In the absence of any instructions on how the securities represented by the proxy are to be voted, the proxyholder will have discretionary authority to vote on such unspecified matters. The persons named in the enclosed form of proxy intend to vote in favour of the motions proposed to be made at the Meeting as stated in the Notice and in this Circular.

The form of proxy enclosed confers discretionary authority with respect to amendments or variations to the matters disclosed in the Notice and in this Circular, or any other matters, which may properly be brought before the Meeting. At the time of the printing of this Circular, the Company's management is not aware of any such amendments, variations or other matters to be presented for action at the Meeting. If, however, any amendments, variations or other matters which are not now known to the Company's management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the proxyholder on such matters. If a shareholder does not wish to confer discretionary authority on the proxyholder, the shareholder should mark "against" under the item "*To approve the transaction of such other business as may properly come before the Meeting*" in the proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Authorized Share Structure

The Company's authorized capital consists of an unlimited number of Class A Shares (the "**Shares**"), issuable in series, of which there are two series outstanding, being the "Legacy Shares" and the "Commercialization (Series 2) Shares". At the Record Date there are 6,418,841.7432 Legacy Shares outstanding and 1,002,555.2061 Commercialization (Series 2) Shares outstanding. Class A Shares entitle the holder to one vote per Class A Share at general meetings of the Company. The Company's authorized capital also includes an unlimited number of Class B Shares which are identified as "Exit Shares". There are no Exit Shares outstanding.

The Meeting is a meeting for shareholders holding Legacy Shares excluding PTF (such shareholders, excluding PTF, referred to as "Minority Shareholders" in this Circular).

Record Date

The Board has fixed July 7, 2023, as the record date for the determination of the Minority Shareholders entitled to receive notice of, and vote at, the Meeting (the "**Record Date**"). Minority Shareholders of the Company of record at the close of business on July 7, 2023, will be entitled to vote at the Meeting and at all adjournments or postponements thereof.

Ownership of Securities of the Company

To the knowledge of the directors and senior officers of the Company, the following persons beneficially own, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares:

Legacy Shares

Name and Municipality of Shareholder	Number of Shares	Percentage of Class
Pender Growth Fund Inc. Vancouver, British Columbia	6,295,604.1955	98.1%

Commercialization (Series 2) Shares

Name and Municipality of Shareholder	Number of Shares	Percentage of Class
Pender Growth Fund Inc. Vancouver, British Columbia	1,002,555.2061	100%

As set out above, PTF will not be permitted to vote at the Meeting. To the knowledge of the directors and senior officers of the Company, no shareholder other than PTF beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares.

THE ARRANGEMENT

On June 21, 2023, the Company entered into the Arrangement Agreement with PTF providing for, among other things, the acquisition by PTF of all of the issued and outstanding Legacy Shares not currently owned by PTF. Under the terms of the Arrangement Agreement, the acquisition is to be accomplished through a statutory plan of arrangement in respect of the Company under the Business Corporations Act.

Background to the Arrangement

On May 28, 2021, PTF acquired 100% of the Commercialization (Series 2) Shares and approximately 97% of the outstanding Legacy Shares pursuant to a plan of arrangement under the Business Corporations Act (the "**Initial Acquisition**"). The purchase price for Legacy Shares under the Initial Acquisition (the "**Initial Acquisition Price**") was equal to 43.5% of the then-applicable Net Asset Value per Legacy Share (then $3.48, the "**Initial Acquisition NAV**"), which was approximately $1.52 per Legacy Share. Under the terms of the Initial Acquisition, former holders of Legacy Shares were entitled to additional payments which resulted in an adjusted Initial Acquisition Purchase Price of $2.79 per Legacy Share.

Since the date of the Initial Acquisition, PPI has made two distributions (completed by way of pro rata redemptions of Legacy Shares, other than Legacy Shares held by PTF), which has resulted in PPI owning 98.1% of the Legacy Shares.

Since the date of the Initial Acquisition, due to the historical mutual fund structure of PPI, PPI has incurred significant administrative expenses to maintain the accounts of the Minority Shareholders. In addition, as a "reporting issuer" PPI must currently publish interim (management prepared) financial statements and audited annual financial statements, hold an annual general meeting and meet other continuous disclosure requirements. These expenses are ultimately borne by the shareholders of PPI and erode the value of its portfolio. As a result, in early 2023 PPI and the Manager began to consider whether it would be preferable to have PTF acquire the remaining 1.9% of the Legacy Shares and operate PPI as a wholly owned subsidiary of PTF.

On April 4, 2023, the Board of PPI held a meeting at which Maria Pacella, PPI's Chief Executive Officer, provided a portfolio update and the administrative expenses were discussed. Ms. Pacella noted her conflict of interest due to her role with the Manager and it was determined that, should a potential transaction be proposed with PTF, a special committee composed of the independent directors should be established to consider a potential transaction.

On May 5, 2023, PTF indicated to the Board of PPI its intention to deliver a letter of intent to PPI proposing the Proposed Transaction. On May 8, 2023, the Board met with legal counsel in attendance to discuss the Proposed Transaction and it was determined it was appropriate to form a special committee of the members of the Board to consider the Proposed Transaction. Accordingly, the Board established the Special Committee, composed of independent directors Natalie Dakers and Robert Napoli, and appointed McCarthy Tétrault LLP as independent legal

counsel to the Special Committee. A mandate of the Special Committee was approved by the Board (with the Interested Director abstaining), which mandate included, among other things, (a) considering and evaluating the Proposed Transaction with the assistance of its advisors and management; (b) carrying out all analysis or preparatory work that it considered useful or necessary in connection with the Proposed Transaction; (c) reviewing, overseeing, and supervising the transaction process; (d) negotiating, or supervising the negotiation of, the terms and conditions of the Proposed Transaction and supervising the preparation of any legal agreements or other documentation necessary to implement the same; (e) assessing the fairness of the Proposed Transaction to the Company securityholders and any other relevant stakeholders of the Company, and whether the Proposed Transaction is in the best interests of the Company, its securityholders and any other relevant stakeholders; (f) considering all applicable legal and regulatory requirements relating to the Proposed Transaction; (g) ensuring that the Company, the Board, and management received financial and other advice with respect to the Company, any third parties and the Proposed Transaction; (h) advising the Board and making a recommendation as to whether the Proposed Transaction is in the best interests of the Company and its securityholders and other relevant stakeholders and undertaking such processes as it considers necessary or appropriate to provide such advice and recommendation, or, if a recommendation is not being made to the Board, providing reasons as to why not; (i) if the Proposed Transaction was approved by the Board, maintaining, on behalf of the Board, oversight and review of its implementation; (j) overseeing, together with the Company's management, the required public disclosure and communication to the relevant stakeholders of the Company; and (k) considering, without the need for further authorization by the Board, such other matters as the Special Committee considers necessary or appropriate in order to fulfill its mandate and discharge its responsibilities.

The May 8 Board meeting was adjourned and the Special Committee immediately held its first meeting. At this first meeting, the members of the Special Committee received preliminary legal advice from McCarthy Tétrault LLP regarding the role of a special committee, their duties as directors, the process for obtaining a fairness opinion, various corporate and securities law considerations and general discussion of the Proposed Transaction.

On May 12, 2023, the Letter of Intent was delivered to PPI. On May 17, 2023, the Special Committee met with McCarthy Tétrault LLP to consider the Letter of Intent and the terms of the Proposed Transaction described therein. McCarthy Tétrault LLP provided legal advice to the Special Committee concerning the terms set out in the Letter of Intent and duties of the Special Committee in considering the Proposed Transaction. The Special Committee also considered the advisability of announcing entry into the Letter of Intent to inform Minority Shareholders, who might be considering the exercise of retraction rights in respect of their Legacy Shares, of the Proposed Transaction. Following this meeting, the Special Committee negotiated revisions to certain terms in the Letter of Intent, including clarification with respect to the methodology proposed to be used to calculate the Purchase Price.

On May 23, 2023, a member of the Special Committee executed the Letter of Intent, as revised, on behalf of the Company, and the Company and PTF jointly announced the signing of the Letter of Intent by publication of a joint press release.

The Special Committee evaluated proposals from multiple financial advisors and selected Evans & Evans, Inc. on the basis of its knowledge of the Company's Portfolio and the terms of its proposal. On May 27, 2023, Evans & Evans Inc. was formally engaged by the Special Committee to provide the Fairness Opinion.

On June 5, 2023, counsel to PTF circulated drafts of the Arrangement Agreement and Plan of Arrangement. The Special Committee met with McCarthy Tétrault LLP on several occasions to review and consider the terms of the Arrangement Agreement and Plan of Arrangement. The Special Committee's review focused in particular on ensuring that the Purchase Price and the methodology for its calculation were clear, appropriate and consistent with past practice. Over the course of the next sixteen days, the Special Committee and its counsel negotiated certain revisions to the Arrangement Agreement and Plan of Arrangement.

On June 14, 2023, Evans & Evans, Inc. met with the Special Committee and its legal advisors, to present its preliminary views with respect to the fairness of the Arrangement to the Minority Shareholder. Evans & Evans, Inc. walked through its methodology in detail and answered a number of questions from the Special Committee with respect to the valuation of the Portfolio, the appropriateness of the calculation of NAV and other matters.

Evans & Evans, Inc. delivered the Fairness Opinion effective June 21, 2023, confirming its opinion that, as of such date and subject to and based on the assumptions, limitations and qualifications contained in such Fairness Opinion, the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

Following receipt of the Fairness Opinion, on June 21, 2023, the Special Committee met with McCarthy Tétrault LLP. Following detailed consultation, the Special Committee unanimously determined that the Arrangement is fair to the Minority Shareholders and is in the best interests of the Company. The Special Committee unanimously determined to recommend to the Board that it approve the Arrangement, subject to approval of the Minority Shareholders and the Court. The Special Committee instructed McCarthy Tétrault LLP to settle the final form of the Arrangement Agreement and Plan of Arrangement with counsel to PTF.

Following the Special Committee meeting on June 21, 2023, the Board, having taken into account the unanimous recommendation of the Special Committee, the Fairness Opinion and such other matters as it considered relevant, and after consultation with its financial and legal advisors, unanimously (with the Interested Director abstaining) determined that the Arrangement is fair to the Minority Shareholders and that the Arrangement is in the best interests of the Company. Accordingly, the Board unanimously (with the Interested Director abstaining) approved the Arrangement and entry into the Arrangement Agreement and unanimously determined (with the Interested Director abstaining) to recommend that Minority Shareholders vote for the Arrangement Resolution.

Following the Board approval, on June 21, 2023, the Parties executed the Arrangement Agreement and publicly announced its execution by issuing a joint press release on June 22, 2023.

Reasons for the Recommendation

In evaluating and unanimously approving the Arrangement, the Special Committee and the Board gave careful consideration to the current and expected future position and condition of the business of the Company, and all terms of the draft Arrangement Agreement, including the conditions precedent. The Special Committee and the Board considered a number of factors including, among others, the following:

The Purchase Price Is Equal to 100% of NAV. Unlike the Initial Acquisition, where 43.5% of the Net Asset Value per Legacy Share was offered to holders of Legacy Shares, the Purchase Price for the Arrangement is 100% of the Net Asset Value per Legacy Share calculated as of five Business Days prior to Effective Date (subject to the Collar, as described below).

Significant Premium to Initial Acquisition Purchase Price. The Initial Acquisition Price was $2.79, which was 79.9% of the Initial Acquisition NAV. The Purchase Price offered pursuant to the Arrangement is 194% of the Initial Acquisition NAV (subject to adjustment as provided in the Arrangement Agreement).

Significant Premium to Current Retraction Price. The rights and restrictions attached to the Legacy Shares permit holders of Legacy Shares to, among other things, request a retraction of their Legacy Shares at 40% of the Net Asset Value per Legacy Share during the 60-day period following the publication of PPI's annual financial statements. For the year ended December 31, 2022, the applicable retraction price was $2.82, which is significantly below the Purchase Price.

Certainty of Price Range. The Arrangement Agreement sets out a preliminary purchase price per Legacy Share of $6.8184 (the "**Pre-Adjustment Purchase Price**"), which was the NAV per Legacy Share as of June 13, 2023; however, the final Purchase Price will be determined based on a calculation of the NAV per Legacy Share as of five Business Days prior to the Effective Date, subject to a maximum Purchase Price of $7.1593 and a minimum Purchase Price of $6.4775, representing, respectively, a maximum 5% upward or downward adjustment to the Pre-Adjustment Purchase Price (the "**Collar**"). Accordingly, although the Purchase Price is subject to adjustment based on changes to the NAV of the Legacy Shares that may occur between the date of signing of the Arrangement Agreement and the date that is five Business Days prior to the Effective Date, this Collar provides Minority Shareholders with a known range within which the final adjusted Purchase Price will fall.

Form of Consideration. The cash consideration payable to Minority Shareholders provides certainty of value (subject to the adjustments set out in the Arrangement Agreement) and immediate liquidity. PPI has been advised by the Manager that it would take another six to twelve months to dispose of its holdings in Copperleaf Technologies Inc. and it does not foresee any current exit opportunities for disposing of its holdings of private portfolio companies.

Waivers of Manager. For the purposes of the Arrangement, the Manager has agreed to waive its Performance Fee due under the Management Agreement for General Fusion and has valued General Fusion at 100% of its Net Asset Value as opposed to 80% (i.e., the Net Asset Value taking into account the deduction of the Performance Fee). In addition, to the date hereof, the Manager has waived the majority of its 2.5% Management Fees and has been charging PPI on a cost-recovery basis.

No Reasonable Prospect of an Alternative Transaction. As PTF owns over 98% of the shares of PPI, it has the ability to block any alternative transaction such that there is no reasonable prospect of any third-party proposal or alternative transaction.

Fairness Opinion. Evans & Evans Inc. (who were paid a fixed fee for their opinion) opined that, as of the date of the opinion and subject to and based on the assumptions, limitations and qualifications contained in such Fairness Opinion, that the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

Fairness of the Conditions. The Arrangement Agreement provides for certain conditions to complete the Arrangement, which conditions do not include a financing condition, are not unduly onerous or outside market practice and can reasonably be expected to be satisfied.

Fairness of the Terms. The terms and conditions of the Arrangement Agreement, which were negotiated at arm's length by the Special Committee and PTF with the assistance of legal and financial advisors, are reasonable in light of all applicable circumstances.

Minority Shareholder Approval. The approval of the Arrangement Resolution will require the affirmative vote of at least two-thirds of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting.

Court Approval. The Plan of Arrangement must be approved by the Supreme Court of British Columbia, which will consider, among other things, after hearing from all interested persons who choose to appear before it, the fairness and reasonableness of the Arrangement to the Minority Shareholders.

Dissent Rights. The terms of the Plan of Arrangement provide that Registered Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise dissent rights and, if ultimately successful, receive fair value for their Legacy Shares (as described in the Plan of Arrangement).

In reaching their determinations, the Special Committee and the Board also considered and evaluated, among other things:

(a) information concerning the business, assets, financial condition, operating results and prospects of the Company and the Portfolio Companies;

(b) current industry, economic and market conditions and trends;

(c) the current and historical market prices of the Portfolio Companies;

(d) their legal duties and obligations; and

(e) the information, data and conclusions contained in the Fairness Opinion.

The Board and the members of the Special Committee evaluated all the factors summarized above in light of their knowledge of the business and operations of the Company and in the exercise of their business judgment.

Recommendation of the Special Committee

The Special Committee, having undertaken a thorough review of the Arrangement, and having consulted with independent financial and legal advisors, and having received and considered the Fairness Opinion and such other matters it considered necessary or appropriate, unanimously determined that the Arrangement and the entering into of the Arrangement Agreement is advisable, is in the best interests of the Company and is fair to Minority Shareholders, and recommended that the Board approve the Arrangement and the entering into of the Arrangement Agreement and recommend to the Minority Shareholders that they vote in favour of the Arrangement.

Recommendation of the Board

The Board (with the Interested Director abstaining), having undertaken a thorough review of, and having carefully considered, the Arrangement and its impact on the Company and all affected stakeholders, the alternatives available to the Company, the Fairness Opinion, the unanimous recommendations of the Special Committee and such other matters as it considered necessary or appropriate, unanimously determined that the Arrangement is in the best interests of the Company and is fair to the Minority Shareholders and authorized and approved the Arrangement and the entering into of the Arrangement Agreement. **Accordingly, the Board unanimously recommends that the Minority Shareholders vote FOR the Arrangement Resolution**.

Fairness Opinion

Evans & Evans Inc. Opinion

In connection with the evaluation of the Arrangement by the Special Committee, the Special Committee received the Fairness Opinion from Evans & Evans Inc. that, as of June 21, 2023, and subject to the assumptions, limitations and qualifications contained in the Fairness Opinion, the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

Minority Shareholders are urged to read the Fairness Opinion in its entirety. The Fairness Opinion is attached as Appendix C to this Circular.

Principal Steps of the Arrangement

If all conditions to the implementation of the Arrangement have been satisfied or waived (if permitted), on the Effective Date the following will occur simultaneously, in each case effective at the Effective Time:

(a) each outstanding Legacy Share held by a Minority Shareholder (other than a Legacy Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised) will, without further act or formality by or on behalf of such Minority Shareholder, be irrevocably assigned and transferred by the holder thereof to PTF (free and clear of any liens, charges and encumbrances of any nature whatsoever) in consideration for a debt claim against PTF for the Purchase Price and:

(i) such Minority Shareholder will cease to be the registered holder of each such Legacy Share and the name of such Minority Shareholder will be removed from the register of PPI Shareholders as a holder of such shares;

(ii) such Minority Shareholder will be deemed to have executed and delivered all consents, assignments and waivers, statutory or otherwise, required to transfer and assign each such Legacy Share;

(iii) PTF will be the holder of all of each such Legacy Share formerly held by such Minority Shareholder and the register of PPI Shareholders will be revised accordingly; and

(b) each Legacy Share held by a Dissenting Shareholder in respect of which such Dissenting Shareholder has validly exercised his, her or its Dissent Rights will be deemed to be transferred and assigned by such Dissenting Shareholder, without any further act or formality on its part, to PTF (free and clear of any liens, charges and encumbrances of any nature whatsoever) in accordance with, and in consideration for a debt claim against PTF for the amount determined under Section 3.1 of the Plan of Arrangement and:

(i) such Dissenting Shareholder will cease to be the registered holder of each such Legacy Share and the name of such Dissenting Shareholder will be removed from the register of PPI Shareholders;

(ii) such Dissenting Shareholder will be deemed to have executed and delivered all consents, assignments and waivers, statutory or otherwise, required to transfer and assign each such Legacy Share to PTF; and

(iii) PTF will be the holder of each such Legacy Share formerly held by such Dissenting Shareholder and the register of PPI Shareholders will be revised accordingly.

All consideration will be less any applicable withholdings.

See the Plan of Arrangement attached as Appendix B to this Circular.

Completion of the Arrangement

Completion of the Arrangement is subject to, among other things, the receipt of required approvals of the Court and the Minority Shareholders, as well as the Regulatory Approvals.

The following procedural steps must be taken in order for the Arrangement to become effective following approval of the Minority Shareholders: (a) the Court must grant the Final Order approving the Arrangement; and (b) all conditions precedent to the Arrangement further described in the Arrangement Agreement must be satisfied or waived by the appropriate party. Subject to the provisions of the Arrangement Agreement, the Arrangement will become effective at the Effective Time.

Completion of the Arrangement is anticipated to occur in the second half of August 2023. However, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis, but in no event will completion occur later than the Outside Date, unless extended by mutual agreement between the Company and PTF in accordance with the terms of the Arrangement Agreement.

Effects on the Company If the Arrangement Is Not Completed

If the Arrangement Resolution is not approved by the Minority Shareholders or if the Arrangement is not completed for any other reason, Minority Shareholders will not receive any payment for their Legacy Shares in connection with the Arrangement.

In addition, if the Arrangement is not completed, it is expected that management of the Company will operate the business in a manner similar to that in which it is being operated today and that Minority Shareholders will continue to be subject to the same risks and opportunities as they currently are, including, among other things, general industry, economic, regulatory and market conditions.

Minority Shareholder Approval of the Arrangement Resolution

The approval of the Arrangement Resolution will require the affirmative vote of at least two-thirds of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting and entitled to vote. Should Minority Shareholders fail to approve the Arrangement Resolution by the requisite majority, the Arrangement will not be completed.

The Board has unanimously determined that the Arrangement is in the best interests of the Company and is fair to Minority Shareholders and has authorized and approved the Arrangement and the entering into of the Arrangement Agreement. **Accordingly, the Board unanimously recommends that the Minority Shareholders vote FOR the Arrangement Resolution**.

Court Approval of the Arrangement

An arrangement of a corporation under the Business Corporations Act requires approval by the Court. On July 6, 2023, the Company obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached as Appendix D to this Circular.

If Minority Shareholder Approval is obtained at the Meeting in the manner required by the Interim Order, the Company will apply to the Court to obtain the Final Order. The hearing of the application for the Final Order is scheduled to take place at the Court at 9:45 a.m. (Vancouver time) on August 15, 2023 at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Minority Shareholders who wish to participate in or be represented at the Court hearing for the Final Order should consult their legal advisors as to the necessary requirements.

The Court has broad discretion under the Business Corporations Act when making orders with respect to the Arrangement and will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, the Company and/or PTF may determine not to proceed with the Arrangement.

For further information regarding the Court hearing and the rights of the Minority Shareholders in connection with the Court hearing, see the Interim Order attached as Appendix D to this Circular and the issued Notice of Hearing of Petition for Final Order attached at Appendix E to this Circular. The Notice of Hearing of Petition for Final Order constitutes notice of the Court hearing of the application for the Final Order and is the only such notice of that proceeding.

Dissent Rights

The following is a summary of the provisions of the Business Corporations Act relating to a Minority Shareholder's Dissent Rights in respect of the Arrangement Resolution. This summary is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of its Legacy Shares and is qualified in its entirety by reference to the full text of Sections 237 to 247 of the Business Corporations Act, which is attached as Appendix F to this Circular.

The Interim Order expressly provides Registered Shareholders with Dissent Rights with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (determined as of immediately before the Arrangement Resolution is voted on at the Meeting) of all, but not less than all, of such shareholder's Legacy Shares, provided that such Minority Shareholder duly dissents to the Arrangement Resolution and the Arrangement becomes effective. Anyone who is a beneficial shareholder and who wishes to dissent should be aware that only Registered Shareholders are entitled to exercise Dissent Rights. A Registered Shareholder who holds Legacy Shares as an intermediary for one or more beneficial shareholder(s), one or more of whom wish to exercise Dissent Rights, must exercise such Dissent Rights on behalf of such beneficial shareholder(s). In such case, the notice should specify the number of Legacy Shares held by the intermediary for such beneficial shareholder(s). A Dissenting Shareholder may dissent only with respect to all the Legacy Shares held on behalf of any one beneficial shareholder and registered in the name of the Dissenting Shareholder.

Dissenting Shareholders who: (a) are ultimately entitled to be paid fair value for their Legacy Shares, which fair value will be the fair value of such shares immediately before the passing by the Minority Shareholders of the Arrangement Resolution, will be paid an amount equal to such fair value by PTF and will be deemed to have transferred their Legacy Shares to PTF in accordance with the Plan of Arrangement; or (b) are ultimately not entitled, for any reason, to be paid fair value for their Legacy Shares will be deemed to have participated in the Arrangement, as of the Effective

Time, on the same basis as a non-dissenting shareholder and will be entitled to receive only the consideration that such shareholder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights, but in no case will PTF, the Company or any other person be required to recognize Dissenting Shareholders as PPI Shareholders after the time that is immediately before the Effective Time, and the names of such Dissenting Shareholders will be deleted from the central securities register as PPI Shareholders at the Effective Time and PTF will be recorded as the registered holder of the Legacy Shares so transferred. There can be no assurance that a Dissenting Shareholder will receive consideration for its Legacy Shares of equal or greater value to the Purchase Price that such Dissenting Shareholder would have received under the Arrangement.

A Dissenting Shareholder's written objection to the Arrangement Resolution must be received by the Company not later than 4:00 p.m. (Vancouver time) two Business Days immediately preceding the date of the Meeting or any adjournment or postponement thereof. Such written objection should be delivered c/o Penderfund Capital Management Ltd, 1830 – 1066 West Hastings Street, Vancouver, British Columbia, Canada, Attention: Tony Rautava. The discussion above is only a summary of the Dissent Rights, which are technical and complex. A Minority Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in Sections 237 to 247 of the Business Corporations Act, as modified by the Plan of Arrangement, the Interim Order and the Final Order, and failure to do so may result in the loss of all Dissent Rights. The full text of sections 237 to 247 of the Business Corporations Act is attached as Appendix F to this Circular. Persons who are beneficial holders of Legacy Shares registered in the name of an intermediary, or in some other name, who wish to exercise Dissent Rights should be aware that only the registered owner of such Legacy Shares is entitled to dissent.

It is a condition to PTF's obligations to consummate the Arrangement that Minority Shareholders holding more than 5% of the Minority Shares shall not have exercised their Dissent Rights. See "*The Arrangement Agreement – Conditions to the Arrangement Becoming Effective – Conditions in Favour of PTF*".

Any Dissenting Shareholder should seek independent legal advice, as a failure to comply strictly with the provisions of sections 237 to 247 of the Business Corporations Act, as modified by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of all Dissent Rights.

PROCEDURE FOR PAYMENT OF CONSIDERATION

Pursuant to the Plan of Arrangement, PTF will deliver to each Minority Shareholder (other than a Dissenting Shareholder) as soon as reasonably practicable after the Effective Date but, in any event, no later than five Business Days following the Effective Date, the consideration for each Legacy Share held by such Minority Shareholder.

Limitation and Proscription

Any payment of consideration made by way of cheque by PTF pursuant to the Plan of Arrangement that has not been deposited or has been returned to PTF or that otherwise remains unclaimed, in each case, on or before the fifth anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the fifth anniversary of the Effective Date will cease to represent a right or claim of any kind or nature and the right of the former Minority Shareholder to receive the Purchase Price to which such holder is entitled pursuant to the Plan of Arrangement will terminate and be deemed to be surrendered and forfeited to PTF (or any successor of PTF), for no consideration.

Withholding Rights

PTF is entitled to deduct and withhold, from any amounts payable or otherwise deliverable to any Person pursuant to the Arrangement (including, without limitation, any payments to Dissenting Shareholders) such amounts as PTF determines, acting reasonably, are required to be deducted or withheld with respect to such payment or delivery under the Tax Act or any provision of any other applicable Laws, and PTF shall remit such amounts to the appropriate tax authority. To the extent that such amounts are so deducted and withheld, such amounts shall be treated for all purposes as having been paid to the Person to whom such amounts would otherwise have been paid, provided that such deducted or withheld amounts are actually remitted to the appropriate tax authority.

THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The summary of certain provisions of the Arrangement Agreement below and elsewhere in this Circular is not comprehensive and is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is available under the Company's issuer profile on SEDAR at www.sedar.com, and the full text of the Plan of Arrangement, which is attached as Appendix B to this Circular and available as Exhibit A to the Arrangement Agreement under the Company's issuer profile on SEDAR at www.sedar.com. This summary may not contain all of the information about the Arrangement Agreement and the Plan of Arrangement that is important to Minority Shareholders. Minority Shareholders are encouraged to carefully read the Arrangement Agreement and the Plan of Arrangement in their entirety.

The Arrangement

The Arrangement provides for the purchase of the Legacy Shares held by the Minority Shareholders by PTF in exchange for the Purchase Price. The Purchase Price will be the NAV per Legacy Share determined five Business Days before the Effective Date, subject to a maximum 5% upward or downward adjustment to the Pre-Adjustment Purchase Price of $6.8184 per Legacy Share (which was 100% of the NAV per Legacy Share as at June 13, 2023), such that the minimum Purchase Price will be $6.4775 and the maximum Purchase Price will be $7.1593.

Payment of Consideration

Upon completion of the Arrangement, each Legacy Share held by a Minority Shareholder will be transferred and assigned to PTF and each Minority Shareholder (other than Dissenting Shareholders) will be entitled to receive the Purchase Price, less applicable withholding taxes, for each Legacy Share held.

Effective Date of the Arrangement

The Effective Date for the Arrangement shall be (a) the date that is the earlier of: (i) the date that is three Business Days after the satisfaction or waiver (subject to applicable Laws) of the conditions set forth in the Arrangement Agreement (other than the delivery of items to be delivered on the Effective Date and the satisfaction of those conditions that, by their terms, cannot be satisfied until immediately prior to the Effective Date); and (ii) the date that is the day prior to the Outside Date; provided that the conditions set forth in the Arrangement Agreement have been satisfied or waived as of such date; or (b) such date as mutually agreed in writing by PPI and PTF, acting reasonably.

Representations and Warranties

The Arrangement Agreement contains a number of representations and warranties of the Company customary for a transaction of this type, including representations and warranties relating to organization and qualification, authority, no violation, governmental approvals, capitalization, ownership of subsidiaries, litigation, fairness opinions and directors' approvals.

In addition, the Arrangement Agreement contains certain representations and warranties of PTF customary for a transaction of this type, including representations and warranties relating to organization and qualification, authority, and sufficiency of funds.

The representations and warranties of the Company and PTF contained in the Arrangement Agreement will terminate at the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms.

Covenants

Covenants Relating to the Conduct of Business

Pursuant to the Arrangement Agreement, the Company has agreed to covenants requiring that, during the period between the execution of the Arrangement Agreement and the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms, among other things, the Company will conduct its business in the ordinary course of business and use all commercially reasonable efforts to maintain and preserve its business organization and assets.

The Company agreed to certain customary negative covenants restricting the Company from, during the period between the execution of the Arrangement Agreement and the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms, taking certain actions outside of the ordinary course.

Minority Shareholders should refer to the Arrangement Agreement for details regarding the additional negative and affirmative covenants given by the Company in relation to the conduct of its business prior to the Effective Time.

Mutual Covenants Relating to the Arrangement

Each of the Company and PTF has agreed that it will use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to the Parties' obligations to complete the Arrangement.

Conditions to the Arrangement Becoming Effective

Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions may only be waived, in whole or in part, to the extent permissible under applicable Law, by the mutual consent in writing of each of the Parties:

(a) the Arrangement Resolution shall have been approved by the Minority Shareholders at the Meeting in accordance with the Interim Order and applicable Laws;

(b) the Interim Order and the Final Order shall each have been obtained in form and terms satisfactory to each of PPI and PTF, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to either Party, each acting reasonably, on appeal or otherwise; and

(c) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins PPI or PTF from consummating the Arrangement.

Conditions in Favour of the Company

The obligation of the Company to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent, on or before the Effective Time:

(a) all covenants, agreements or obligations of PTF to be performed on or before the Effective Date which have not been waived by the Company will have been duly performed by PTF in all material respects;

(b) all representations and warranties of PTF will be true and correct in all respects (disregarding any materiality or Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Time as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which will be determined as of that specified date), except where any failure or failures of any such other representations and

warranties to be so true and correct in all respects would not, individually or in the aggregate, be reasonably expected to result in a Material Adverse Effect on PPI; and

(c) the Company shall have received a certificate of PTF addressed to the Company and dated the Effective Date, signed on behalf of PTF by a senior executive officer of confirming the conditions set forth above have been satisfied as at the Effective Time.

The foregoing conditions are for the exclusive benefit of the Company and may be waived, in whole or in part, to the extent permissible by applicable Law, by the Company at any time.

Conditions in Favour of PTF

The obligation of PTF to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent, on or before the Effective Time, or such other time as specified below:

(a) all covenants, agreements or obligations of PPI to be performed on or before the Effective Date which have not been waived by the PTF will have been duly performed by PPI in all material respects;

(b) all representations and warranties of PPI will be true and correct in all respects (disregarding any materiality or Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Time as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which will be determined as of that specified date), except where any failure or failures of any such other representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, be reasonably expected to result in a Material Adverse Effect on PPI;

(c) PTF shall have received a certificate of PPI addressed to the PTF and dated the Effective Date, signed on behalf of PPI by a senior executive officer of PPI;

(d) between the date of the Arrangement Agreement and the Effective Date, there shall not have occurred a Material Adverse Change to PPI;

(e) holders of more than 5% of the issued and outstanding Minority Shares shall not have exercised the Dissent Rights in respect of the Arrangement;

(f) there shall not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success:

(i) seeking to restrain or prohibit the consummation of the Plan of Arrangement or any of the transactions contemplated by the Arrangement Agreement or seeking to obtain from any of the Parties any damages that are material in relation to PPI;

(ii) seeking to prohibit or materially limit the ownership or operation by PTF of any material portion of the business or assets of PPI or to compel PTF to dispose of or hold separate any material portion of the business or assets of PPI; or

(iii) that otherwise is reasonably likely to have a Material Adverse Effect on PPI; and

(g) PPI shall have provided to PTF, on or before the Effective Date, written resignations and mutual releases effective as of the Effective Time in a form reasonably acceptable to PPI and PTF from all such directors and officers of PPI (other than employees of the Manager) as PTF may request.

The foregoing conditions are for the exclusive benefit of PTF and may be waived, in whole or in part, to the extent permissible under applicable Law, by PTF at any time.

Termination

The Arrangement Agreement may be terminated at any time before or after the Meeting but prior to the Effective Time, by:

(a) the mutual agreement of PPI and PTF;

(b) either PTF or PPI if:

(i) the Meeting is held and the Arrangement Resolution is not approved by the Minority Shareholders in accordance with applicable Laws and the Interim Order;

(ii) after the date of this Agreement, there shall be passed any Law that makes consummation of the Arrangement or any other transactions contemplated by this Agreement illegal or otherwise prohibited or if any Governmental Entity shall have issued any injunction, order, decree or ruling enjoining PTF or PPI from consummating the Arrangement or any other transactions contemplated by this Agreement and such injunction, order, decree or ruling shall become final and non-appealable (provided that the Party seeking to terminate the Arrangement Agreement on this basis is not then in breach of the Arrangement Agreement so as to cause any condition in favour of all Parties or in favour of the other Party not to be satisfied);

(iii) subject to certain "Notice and Cure" provisions in the Arrangement Agreement, the other Party is in default of a covenant or obligation hereunder such that the conditions contained in the Arrangement Agreement would be incapable of satisfaction, provided the Party seeking to terminate the Arrangement Agreement is not then in breach of the Arrangement Agreement so as to cause any condition in favour of all Parties or in favour of the other Party not to be satisfied;

(iv) subject to certain "Notice and Cure" provisions in the Arrangement Agreement, any representation or warranty of the other Party under the Arrangement Agreement is untrue or incorrect and shall have become untrue or incorrect such that the condition contained in the Arrangement Agreement would be incapable of satisfaction, provided that the Party seeking to terminate the Arrangement Agreement is not then in breach of the Arrangement Agreement so as to cause any condition in favour of both Parties or in favour of the other Party not to be satisfied; or

(v) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Arrangement Agreement pursuant to this provision if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(c) PTF if a Material Adverse Effect has occurred with respect to PPI that is incapable of being cured on or prior to the Outside Date.

RISK FACTORS

Whether or not the Arrangement is completed, the Company will continue to face many of the risks that it currently faces with respect to its business and affairs. A description of the risk factors (incorporated by reference into this Circular) applicable to the Company is contained under the heading "Risk Factors" in the Company's annual information form and in the Company's other public filings available on the Company's issuer profile on SEDAR at www.sedar.com. In assessing the Arrangement, Minority Shareholders should carefully consider such risks. Additional risks and uncertainties, including those currently unknown to or considered to be not material by the

Company, may also adversely affect the business of the Company. The Arrangement and the ongoing business of the Company is subject to certain risks including the following:

Risks Relating to the Arrangement

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of the Company, including, among other things, obtaining approval of the Minority Shareholders, receipt of Regulatory Approvals, the granting of the Final Order and Dissent Rights not being exercised with respect to more than 5% of the outstanding Minority Shares. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

The Arrangement Agreement may be terminated in certain circumstances, including in the event of a Material Adverse Effect on the Company.

Each of the Company and PTF has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by either the Company or PTF before the completion of the Arrangement. For example, PTF has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that have a Material Adverse Effect on the Company. Although a Material Adverse Effect excludes certain events that are beyond the control of the Company (such as but not limited to changes in general economic, business, banking, regulatory, currency exchange, interest rate, financial, securities or capital markets), there is no assurance that a change having a Material Adverse Effect on the Company will not occur before the Effective Date, in which case PTF could elect to terminate the Arrangement Agreement and the Arrangement would not proceed. See "*The Arrangement Agreement – Termination*".

Rights of Minority Shareholders after the Arrangement.

Following the completion of the Arrangement, Minority Shareholders will no longer hold Legacy Shares and will no longer have an interest in the Company, its assets, revenues or profits. In the event that the value of the Company's assets or business, prior, at or after the Effective Date, exceeds the implied value of the Company under the Arrangement, Minority Shareholders will not be entitled to additional consideration for their Legacy Shares.

The Purchase Price may be lower than the Pre-Adjustment Purchase Price.

The Arrangement Agreement provides for the adjustment of the Purchase Price based on the NAV per Legacy Share as of five Business Days prior to the Effective Date. If the NAV per Legacy Share as of such date is lower than the NAV per Legacy Share as of June 13, 2023 (the date of calculation of the Pre-Adjustment Purchase Price of $6.8184), the Purchase Price may be lower than the Pre-Adjustment Purchase Price, subject to the Collar, such that the minimum Purchase Price per Legacy Share will be $6.4775.

The adjustment to the Purchase Price is subject to a maximum amount.

The Arrangement Agreement provides that the Purchase Price adjustment based on the NAV per Legacy Share as of five Business Days prior to the Effective Date will be subject to the Collar, such that the maximum Purchase Price per Legacy Share will be $7.1593. If the NAV per Legacy Share as of five Business Days prior to the Effective Date is greater than $7.1593, the Purchase Price will be $7.1593 and Minority Shareholders will not be entitled to additional consideration for their Legacy Shares.

Risks Associated with the Ongoing Business of the Company

In making its recommendation, the Special Committee and the Board also considered other key risks to the ongoing business of the Company, including:

Global Events.

The economic uncertainties around persistent inflation pressure, bank failures, geopolitical events and the lingering COVID-19 pandemic continue to impact the global economy. Recently, the collapse of Silicon Valley Bank and Signature Bank led to an overall financial market decline especially in the banking sector. The Company does not have any direct exposure to the banks and is monitoring its Portfolio value given the impact of the situation across the broader financial sector. Future developments in these challenging areas could impact the Company's results and financial condition and the full extent of that impact remains unknown. Developing reliable estimates and applying judgment continue to be substantially complex. Actual results may differ from those estimates and assumptions.

Investments.

The Company's Portfolio is materially concentrated in the shares of one publicly listed Portfolio Company, Copperleaf Technologies Inc. ("**Copperleaf**").

Historically, the Company's investment focus was on information technologies, life sciences and clean technology companies, including companies in the development stage. The prospects for success of emerging technology companies are critically dependent on numerous factors that may be difficult to evaluate, especially when they have limited operating histories. Investments in emerging technology companies are inherently risky, and in the case of failed businesses, may result in the total loss of the capital invested by the Company in a Portfolio Company. The technology companies in which the Company is invested will typically require additional capital, which the Company's divestment objective does not enable it to provide and which may not be available from other sources.

Private companies, by their nature, will generally lack liquidity and involve a longer-than-usual investment time horizon. As at the date of the Fairness Opinion private companies constituted approximately 23% of the Company's total assets. It may be relatively difficult for the Company to dispose of its investment in a private company rapidly and at favourable prices in the event of weak M&A markets, adverse market developments or other factors. The sale of such investments may also be subject to delays and additional costs and may only be possible at substantial discounts. Losses are typically realized before gains, and the Company may be required to dispose of private Portfolio Companies before any returns are realized.

Despite the number of sources of private capital, financing for early-stage technology companies remains limited and is subject to pricing and terms that are based on the performance of the investee company, among other factors, and what is available may be on terms unfavourable to existing shareholders of these companies. As at the date of the Fairness Opinion, investments in public companies constituted approximately 77% of the Company's total assets. Public company securities prices are influenced by particular companies' performance outlook, market activity and the larger economic picture. When the economy is expanding, the outlook may generally be good for many companies and the value of their stocks may rise. The opposite may also be true. Usually, the greater the potential reward, the greater the risk. Where the size of the Company's holding of a particular security is large relative to the market, an orderly realization of value may be relatively difficult for the Company to achieve. Consequently, the sale of such investments may be subject to delay and may only be possible at substantial discounts.

For smaller companies, start-ups, resource companies and companies in emerging sectors, both the risks and potential rewards of investment may be greater than those of larger, more established companies. Likewise, the share prices of such companies may be more volatile than those of larger, more established companies. Further, the products and services offered by technology companies, for example, may become obsolete as science and technology advance. Other risks include the high proportion of technology company investments in the Portfolio, industry concentration and the relatively small number of investments in the Portfolio. There can be no assurance that the Company will be able to complete divestments of individual Portfolio Companies generally and/or complete an orderly realization of value, at current values or otherwise, therefore there can be no assurance of any further Divestment Redemptions of Legacy Shares, as defined in the special rights and restrictions attached to the Legacy Shares.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The following summary describes certain material Canadian federal income tax considerations in respect of the Plan of Arrangement generally applicable to a beneficial owner of Legacy Shares who, for purposes of the Tax Act, and at all relevant times, deals at arm's length with each of the Company and PTF, is not affiliated with the Company and, holds its Legacy Shares as capital property, and who disposes of Legacy Shares to PTF under the Plan of Arrangement. A Shareholder who meets all of the foregoing requirements is referred to as a "**Holder**" in this summary, and this summary only addresses such Holders. Legacy Shares will generally be considered to be capital property to a Holder unless the Holder holds such Legacy Shares in the course of carrying on a business or the Holder acquired such Legacy Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the facts set out in this Circular, the current provisions of the Tax Act, and the administrative practices and policies of the Canada Revenue Agency made publicly available in writing before the date hereof. This summary also takes into account all tax proposals publicly announced by or on behalf of the Minister of Finance (Canada) before the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or administrative practice or policies, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is not applicable to: (a) a Holder that is a "financial institution" (for the purposes of the "mark-to-market" rules in the Tax Act) or a "specified financial institution" (each as defined in the Tax Act); (b) a Holder an interest in which would be a "tax shelter investment" within the meaning of the Tax Act; (c) a Holder whose "functional currency" for the purposes of the Tax Act is the currency of a country other than Canada; (d) a Holder that acquired its Legacy Shares on the exercise of employee stock options or other equity-based employment compensation plan or arrangement; (e) a Holder that has entered into or enters into a "derivative forward agreement" or "synthetic disposition agreement" (each as defined in the Tax Act), in respect of its Legacy Shares; or (f) a Holder that is otherwise of special status or in special circumstances. Any such Holder should consult its own tax advisors with respect to the Plan of Arrangement.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. All persons affected by the Arrangement, including Holders as defined above, are urged to consult their own tax advisors for advice regarding the tax consequences to them of the Arrangement, having regard to their own particular circumstances, and any other consequences to them under Canadian federal, provincial, local and foreign tax laws.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is resident or deemed to be resident in Canada (a "**Resident Holder**").

Certain Resident Holders whose Legacy Shares might not otherwise be considered capital property may, in certain circumstances, make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have the Legacy Shares and all other "Canadian securities" (as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult with their own tax advisors if they are considering making such an election.

Disposition of Legacy Shares under the Arrangement

Resident Holders (other than Resident Holders who validly exercise Dissent Rights, referred to as "**Dissenting Resident Holders**") who transfer their Legacy Shares to PTF in consideration for the Purchase Price under the Plan of Arrangement will realize a capital gain (or a capital loss) equal to the amount by which the aggregate Purchase Price exceeds (or is less than) the aggregate of the adjusted cost base to the Resident Holder of such Legacy Shares and any reasonable costs of disposition. The taxation of capital gains and capital losses is discussed in general terms below under the heading "*Capital Gains and Capital Losses*".

Dissenting Resident Holders

A Dissenting Resident Holder who validly exercises Dissent Rights in respect of the Arrangement and is deemed to have transferred Legacy Shares to PTF under the Plan of Arrangement and is entitled to be paid the fair value of their Legacy Shares by PTF will realize a capital gain (or capital loss) to the extent that such payment (other than any portion thereof that is interest awarded by a court, if any) exceeds (or is less than) the aggregate of the adjusted cost base of the Legacy Shares to the Dissenting Resident Holder and any reasonable costs of the disposition. See "*Capital Gains and Capital Losses*" below. A Dissenting Resident Holder will also be required to include in computing its income any interest awarded by a Court in connection with the Arrangement. A Dissenting Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable for an additional tax (refundable in certain circumstances) on its "aggregate investment income", as generally described below under *"Additional Refundable Tax"*. Dissenting Resident Holders should consult their own tax advisors.

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in such taxation year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains for a taxation year may, in general terms, be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and in the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Legacy Share may be reduced by the amount of any dividends previously received (or deemed to be received) by it on such Legacy Share, to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a Legacy Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Capital gains realized by individuals and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Holder, including a Dissenting Resident Holder, that is throughout the year a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income, including taxable capital gains and interest.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, the Company is not aware of any informed person, or any associate or affiliate of an informed person, having any material interest, direct or indirect, in any transaction or proposed transaction since January 1, 2022, which has materially affected or would materially affect the Company or any of its subsidiaries.

AUDITORS

KPMG LLP, Chartered Accountants are the auditors of the Company and are independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

REGISTRAR AND TRANSFER AGENT

PPI presently acts as its own registrar, with the Manager having engaged Prometa Fund Support Services Inc. to provide shareholder record keeping and administration services and with electronic connectivity to PPI Shareholders being provided through Fundserv Inc. TSX Trust Company will act as Scrutineer for the Meeting.

LEGAL MATTERS

Certain Canadian legal matters in connection with the Arrangement are to be passed upon by McCarthy Tétrault LLP on behalf of the Special Committee, and by Bennett Jones LLP on behalf of PTF.

EXPENSES OF THE ARRANGEMENT

PTF has agreed to pay its own costs and expenses incurred in connection with the Arrangement Agreement as well as all reasonable costs and expenses of PPI incurred in connection with the Arrangement Agreement.

OTHER MATTERS

Management of the Company is not aware of any matters to come before the Meeting other than as set forth in the Notice that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Legacy Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's audited financial statements for the year ended December 31, 2022 and the accompanying independent auditor's report and management's discussion and analysis for the corresponding period, which provide financial information for the Company. Copies of these documents and copies of the Company's most current interim financial statements and management's discussion can be found on the Company's issuer profile on SEDAR at www.sedar.com or obtained upon request from the Company by calling 604-681-1511.

APPROVAL OF DIRECTORS

The contents of this Circular, and its delivery to the Minority Shareholders, has been approved by the Board of Directors of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

"Maria Pacella" (signed)
Maria Pacella
Chief Executive Officer & Director

APPENDIX A

Arrangement Resolution

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE MINORITY SHAREHOLDERS:

1. The arrangement (the "**Arrangement**") under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (as the Arrangement may be modified or amended in accordance with the arrangement agreement dated June 21, 2023 between Pender Private Investments Inc. ("**PPI**") and Pender Growth Fund Inc. (as it has been or may be amended, modified or supplemented in accordance with its terms, the "**Arrangement Agreement**")), as more particularly described and set forth in the information circular (the "**Circular**") of PPI dated July 14, 2023, is hereby authorized, approved and adopted.

2. The plan of arrangement (as it has been or may be amended, modified or supplemented in accordance with its terms and the terms of the Arrangement Agreement, the "**Plan of Arrangement**"), the full text of which is set out as Exhibit A to the Arrangement Agreement, and all transactions contemplated thereby, is hereby authorized, approved and adopted.

3. The Arrangement Agreement and all of the transactions contemplated therein, the actions of the directors of PPI in approving the Arrangement Agreement and the actions of the directors and officers of PPI in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto in accordance with its terms are hereby ratified and approved.

4. PPI be and is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of PPI or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of PPI are hereby authorized and empowered (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).

6. Any officer or director of PPI is hereby authorized and directed for and on behalf of PPI to execute or cause to be executed, under the seal of PPI or otherwise, and to deliver or cause to be delivered, all such documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such authorization to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX B

Plan of Arrangement

EXHIBIT B

PLAN OF ARRANGEMENT UNDER THE PROVISIONS OF DIVISION 5 OF PART 9 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

ARTICLE 1
INTERPRETATION

1.1 Definitions. In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the respective meanings set out below and grammatical variations of such terms will have corresponding meanings:

(a) "**Administrative Expenses**" means accrued but unpaid and unwaived administrative expenses payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out herein equal $14,327.83 in the aggregate;

(b) "**Arrangement**" means an arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act, on the terms and subject to the conditions set forth in this Plan of Arrangement, subject to any amendment, variation or supplement thereto made in accordance with the Arrangement Agreement and this Plan of Arrangement or, with the written consent of PPI and PTF, each acting reasonably, made at the direction of the Court in the Final Order;

(c) "**Arrangement Agreement**" means the arrangement agreement dated June 21, 2023 between PTF and PPI (including the schedules thereto), as it may be amended, modified or supplemented from time to time in accordance with its terms;

(d) "**Arrangement Resolution**" means the special resolution approving the Arrangement, to be substantially in the form and content of Exhibit B to the Arrangement Agreement, to be considered and, if deemed advisable, passed with or without variation by the PPI Minority Shareholders at the PPI Minority Shareholder Meeting;

(e) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia);

(f) "**Business Day**" means any day other than Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British;

(g) "**Court**" means the British Columbia Supreme Court;

(h) "**Dissent Procedures**" has the meaning set out in Section 3.1;

(i) "**Dissent Rights**" has the meaning set out in Section 3.1;

(j) "**Dissenting Shareholder**" means a registered holder of Legacy Shares who has validly exercised his, her or its Dissent Rights in respect of the Arrangement in strict compliance with the Dissent Procedures and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

(k) "**Effective Date**" means the date the Arrangement completes, as determined in accordance with the Arrangement Agreement;

(l) "**Effective Date NAV per Legacy Share"** means the NAV per Legacy Share as at the date that is five Business Days prior to the Effective Date;

(m) "**Effective Time**" means the time when the transactions contemplated herein are deemed to have been completed, which shall be 10:00 a.m. (Vancouver time) on the Effective Date or such other time as the Parties agree to in writing prior to such time;

(n) "**Final Order**" means the final order of the Court approving the Arrangement, in a form acceptable to the Parties, each acting reasonably, as such order may be amended by the Court (with the written consent of each of the Parties, each acting reasonably) at any time prior to the Effective Date or as such order may be affirmed or amended on appeal (with the written consent of each of the Parties, each acting reasonably);

(o) "**Governmental Entity**" means any

(i) international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or Tribunal;

(ii) subdivision, agent, commission, board, ministry, bureau, agency or authority of any of the foregoing; or

(iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

(p) "**Interim Order**" means the interim order of the Court, in a form acceptable to PPI and PTF, each acting reasonably, made in connection with the process for obtaining shareholder approval of the Arrangement and related matters, as such order may be amended, supplemented or varied by the Court (with the written consent of PPI and PTF, each acting reasonably);

(q) "**Legacy Assets**" has the meaning given to such term in the articles of PPI;

(r) "**Legacy Shares**" means the series of Class A shares in the authorized share structure of PPI that have been identified as authorized as "Legacy Shares" and "Legacy Share" shall refer to any share of such series;;

(s) "**Management Fees**" means accrued but unpaid and unwaived management fees payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out herein equal $194,250.25 in the aggregate;

(t) "**Management Agreement**" means the amended and restated management agreement between PPI and the Manager dated May 28, 2021;

(u) "**Manager**" means PenderFund Capital Management Ltd., the investment manager of PPI;

(v) "**Meeting Date**" means the date of the PPI Minority Shareholder Meeting;

(w) "**NAV**" as at any date means the total net asset value of the Legacy Assets of PPI that are assets of PPI as at such date, which shall be determined in accordance with the following:

(i) for publicly traded shares within PPI's portfolio, the 30-day volume-weighted average price of such shares on the principal stock exchange on which such shares are listed, calculated as at such date;

(ii) for private companies within PPI's portfolio, 100% of the estimated fair value of such shares (as determined by the Manager) as at such date calculated consistent with past practice as reflected in the audited financial statements of PPI;

(iii) *less* the following:

(A) the Management Fees;

(B) the Performance Fees; and

(C) the Administrative Expenses;

(x) "**NAV per Legacy Share**" means, as of a given date, the NAV as of such date, divided by the total number of Legacy Shares of PPI issued and outstanding as of such date;

(y) "**Performance Fees**" means accrued but unpaid and unwaived performance fees payable to the Manager under the terms of the Management Agreement, which as of the date of calculation of the Purchase Price set out herein equal $8,092,293.20 in the aggregate;

(z) "**Purchase Price**" means $6.8184 provided, however, that:

(i) in the event the Effective Date NAV per Legacy Share is greater than $6.8184, the Purchase Price shall be *lesser* of $7.1593 and the Effective Date NAV per Legacy Share;

(ii) in the event the Effective Date NAV per Legacy Share is less than $6.8184, the Purchase Price shall be *greater* of $6.4775 and the Effective Date NAV per Legacy Share;

(aa) "**Parties**" means PTF and PPI and "**Party**" means either of them;

(bb) "**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, company, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status;

(cc) "**Plan of Arrangement**" means this plan of arrangement and any amendment or variation hereto made in accordance with Article 5 hereof and the Arrangement Agreement or made at the direction of the Court in the Final Order (with the written consent of PPI and PTF, each acting reasonably);

(dd) "**PPI**" means Pender Private Investments Inc., a company existing under the laws of British Columbia;

(ee) "**PPI Minority Shareholder**" means a holder of one or more Legacy Shares other than PTF;

(ff) "**PPI Minority Shareholder Meeting**" means the special meeting of PPI Minority Shareholders, including any adjournment or postponement thereof in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution;

(gg) "**PPI Shareholder**" means a holder of one or more Legacy Shares;

(hh) "**PTF**" means Pender Growth Fund Inc., a company existing under the laws of British Columbia;

(ii) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended; and

(jj) "**Tribunal**" means:

(i) any court (including a court of equity);

(ii) any securities commission, Canadian or U.S. stock exchange or other regulatory or self-regulatory body; and

(iii) any arbitrator or arbitration tribunal.

1.2 Interpretation Not Affected by Headings, etc. The division of this Plan of Arrangement into sections and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation hereof. Unless otherwise indicated, all references in this Plan of Arrangement to a "Section" followed by a number and/or a letter refer to the specified section of this Plan of Arrangement. Unless otherwise indicated, the terms "this Plan of Arrangement", "hereof", "herein", "hereunder" and "hereby" and similar expressions refer to this Plan of Arrangement as amended or supplemented from time to time pursuant to the applicable provisions hereof, and not to any particular section or other portion hereof.

1.3 Currency. All sums of money referred to in this Plan of Arrangement are expressed in lawful money of Canada.

1.4 Number, etc. Unless the context otherwise requires, words importing the singular will include the plural and vice versa and words importing any gender will include all genders.

1.5 Fractional Shares. Any references to shares or calculations involving shares will include any fractional shares.

1.6 Construction. In this Plan of Arrangement, unless otherwise indicated:

(a) the words "include", "including" or "in particular", when following any general term or statement, will not be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;

(b) a reference to a statute means that statute, as amended and in effect from time to time, and includes each and every regulation and rule made thereunder and in effect from time to time;

(c) where a word, term or phrase is defined, its derivatives or other grammatical forms have a corresponding meaning; and

(d) time is of the essence.

ARTICLE 2
ARRANGEMENT

2.1 Arrangement Agreement. This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms a part of the Arrangement Agreement, except in respect of the sequence of the steps constituting the Arrangement, which will occur in the order set forth herein.

2.2 Binding Effect. This Plan of Arrangement will become effective at, and be binding on each of the following at and after, the Effective Time without any further act or formality required on the part of any Person:

(a) PPI and its subsidiaries;

(b) the PPI Minority Shareholders (including Dissenting Shareholders); and

(c) PTF.

2.3 Arrangement. On the Effective Date, the following will occur simultaneously, in each case effective at the Effective Time:

(a) each outstanding Legacy Share held by a PPI Minority Shareholder (other than a Legacy Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised) will, without further act or formality by or on behalf of such PPI Minority Shareholder, be irrevocably assigned and transferred by the holder thereof to PTF (free and clear of any liens, charges and encumbrances of any nature whatsoever) in consideration for a debt claim against PTF for the Purchase Price and:

(i) such PPI Minority Shareholder will cease to be the registered holder of each such Legacy Share and the name of such PPI Minority Shareholder will be removed from the register of PPI as a holder of such shares;

(ii) such PPI Minority Shareholder will be deemed to have executed and delivered all consents, assignments and waivers, statutory or otherwise, required to transfer and assign each such Legacy Share; and

(iii) PTF will be the holder of all of each such Legacy Share formerly held by such PPI Minority Shareholder and the register of PPI Shareholders will be revised accordingly; and

(b) each Legacy Share held by a Dissenting Shareholder in respect of which such Dissenting Shareholder has validly exercised his, her or its Dissent Rights will be deemed to be transferred and assigned by such Dissenting Shareholder, without any further act or

formality on its part, to PTF (free and clear of any liens, charges and encumbrances of any nature whatsoever) in accordance with, and in consideration for a debt claim against PTF for the amount determined under, Section 3.1 and:

(i) such Dissenting Shareholder will cease to be the registered holder of each such Legacy Share and the name of such Dissenting Shareholder will be removed from the register of PPI Shareholders;

(ii) such Dissenting Shareholder will be deemed to have executed and delivered all consents, assignments and waivers, statutory or otherwise, required to transfer and assign each such Legacy Share to PTF; and

(iii) PTF will be the holder of each such Legacy Share formerly held by such Dissenting Shareholder and the register of PPI Shareholders will be revised accordingly.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent.

(a) Registered holders of Legacy Shares may exercise rights of dissent ("**Dissent Rights**") with respect to such shares in connection with the Arrangement pursuant to and in the manner set forth in section 237 to 247 of the Business Corporations Act, as modified by this Section 3.1 and, if applicable, the Interim Order (the "**Dissent Procedures**"); provided that, notwithstanding (a) subsection 242(1) of the Business Corporations Act, the written objection to the Arrangement Resolution referred to in subsection 242(1) of the Business Corporations Act must be received by PPI not later than 5:00 p.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting Date or any date to which the PPI Minority Shareholder Meeting may be postponed or adjourned and (b) subsection 245(1) of the Business Corporations Act, PTF and not PPI will be required to pay the fair value of such Legacy Shares held by a Dissenting Shareholder and to offer and pay the amount to which such holder is entitled.

(b) Dissenting Shareholders who:

(i) are ultimately entitled to be paid fair value for their Legacy Shares, notwithstanding anything to the contrary contained in section 245 of the Business Corporations Act, will be deemed not to have participated in the transactions in Section 2.3(a) and to have transferred such Legacy Shares to PTF as of the Effective Time pursuant to Section **Error! Reference source not found.** without any further act or formality and free and clear of all liens, claims and encumbrances, and such Dissenting Shareholders shall be entitled to be paid in cash the fair value of their Legacy Shares by PTF, which fair value shall be determined as of the close of business on the day before the date the Arrangement Resolution was adopted; or

(ii) are ultimately not entitled, for any reason, to be paid fair value for their Legacy Shares will be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Legacy Shares and will be entitled to receive only the consideration that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights;

but in no case will PTF or any other Person be required to recognize such Persons as holders of Legacy Shares after the Effective Time, and the central securities register of PPI shall be updated to reflect that such Persons are no longer holders of Legacy Shares with effect at the Effective Time.

(c) In addition to any other restrictions set forth in the Business Corporations Act, PPI Minority Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution are not entitled to exercise Dissent Rights.

ARTICLE 4
DELIVERY OF PURCHASE PRICE

4.1 Delivery of Purchase Price.

(a) In consideration for each Legacy Share held by a PPI Minority Shareholder (other than a Dissenting Shareholder), PTF will deliver to such PPI Minority Shareholder as soon as reasonably practicable after the Effective Date but, in any event, no later than five Business Days following the Effective Date, the aggregate Purchase Price for all Legacy Shares held by such PPI Minority Shareholder that such PPI Minority Shareholder has the right to receive under this Plan of Arrangement.

(b) From and after the Effective Time, each certificate that immediately prior to the Effective Time represented one or more Legacy Shares held by a PPI Minority Shareholder (other than any Legacy Shares held by a Dissenting Shareholder) shall be deemed at all times to represent only the right to receive in exchange therefor the aggregate Purchase Price that such holder has the right to receive under this Plan of Arrangement.

4.2 Extinguishment of Rights. Any payment of consideration made by way of cheque by PTF pursuant to this Plan of Arrangement that has not been deposited or has been returned to PTF or that otherwise remains unclaimed, in each case, on or before the fifth anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the fifth anniversary of the Effective Date will cease to represent a right or claim of any kind or nature and the right of the former PPI Minority Shareholder to receive the Purchase Price to which such holder is entitled pursuant to this Plan of Arrangement will terminate and be deemed to be surrendered and forfeited to PTF (or any successor of PTF), for no consideration.

4.3 Withholding. PTF shall be entitled to deduct and withhold, from any amounts payable or otherwise deliverable to any Person pursuant to the Arrangement (including, without limitation, any payments to Dissenting Shareholders) such amounts as PTF determines, acting reasonably, are required to be deducted or withheld with respect to such payment or delivery under the Tax Act or any provision of any other applicable Laws, and PTF shall remit such amounts to the appropriate tax authority. To the extent that such amounts are so deducted and withheld, such amounts shall be treated for all purposes as having been paid to the Person to whom such amounts would otherwise have been paid, provided that such deducted or withheld amounts are actually remitted to the appropriate tax authority.

ARTICLE 5
AMENDMENTS

5.1 The Parties may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification and/or supplement must be: (i) set out in writing, (ii) agreed to in writing by the Parties, (iii) filed with the Court

and, if made following the PPI Minority Shareholder Meeting, approved by the Court (other than amendments contemplated in Section 5.4 which will not require such filing or approval), and (iv) communicated to PPI Shareholders if and as required by the Court.

5.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Parties at any time prior to the PPI Minority Shareholder Meeting (provided that the other Party will have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the PPI Minority Shareholder Meeting (other than as may be required under the Interim Order), will become part of this Plan of Arrangement for all purposes.

5.3 Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the PPI Minority Shareholder Meeting will be effective only if (i) it is consented to in writing by each of the Parties (in each case, acting reasonably), (ii) it is filed with the Court (other than amendments contemplated in Section 5.4, which will not require such filing) and (iii) if required by the Court, it is consented to by some or all of the holders of the PPI Minority Shares voting in the manner directed by the Court.

5.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by PTF, provided that it concerns a matter that, in the reasonable opinion of PTF, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former PPI Minority Shareholder.

ARTICLE 6
FURTHER ASSURANCES

6.1 Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties will make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

ARTICLE 7
PARAMOUNTCY

7.1 From and after the Effective Time:

(a) this Plan of Arrangement will take precedence and priority over any and all Legacy Shares issued to PPI Minority Shareholders prior to the Effective Time; and

(b) the rights and obligations of the PPI Minority Shareholders in respect of the Legacy Shares will be solely as provided in this Plan of Arrangement; and

(c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Legacy Shares held by a PPI Minority Shareholder will be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

APPENDIX C

Fairness Opinion

(Attached)

EVANS & EVANS, INC.

SUITE 130, 3RD FLOOR, BENTALL II, 555 BURRARD STREET
VANCOUVER, BRITISH COLUMBIA
CANADA V7X 1M8

19TH FLOOR, 700 2ND STREET SW
CALGARY, ALBERTA
CANADA T2P 2W2

6TH FLOOR, 176 YONGE STREET
TORONTO, ONTARIO
CANADA M5C 2L7

June 21, 2023

PENDER PRIVATE INVESTMENTS INC.
Suite 1830-1066 West Hastings Street
Vancouver, British Columbia V6E 3X2

Attention: Special Committee of the Board of Directors

Dear Sirs and Mesdames:

Subject: Fairness Opinion

1.0 Introduction

1.01 Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Opinion") has been requested by the Special Committee (the "Committee") of the Board of Directors (the "Board") of Pender Private Investments Inc. ("PPI" or the "Company") to prepare a Fairness Opinion (the "Opinion"), with respect to the fairness of the proposed acquisition by Pender Growth Fund Inc. ("PTF") or an affiliate thereof of all of the issued and outstanding shares of PPI not currently owned by PTF (the "Proposed Transaction"). The Proposed Transaction is outlined in more detail in section 1.04 of the Opinion. The purpose of the Opinion is to provide an opinion as to the fairness of the Proposed Transaction, from a financial point of view, to the holders of Legacy Shares of the Company other than PTF (the "Minority Shareholders") as at June 21, 2023.

PPI is an investment entity which currently has a divestment objective. Prior to completion of the Proposed Transaction, PTF holds a 98% equity interest in PPI.

1.02 *Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.*

1.03 PPI was incorporated under the British Columbia *Business Corporations Act* ("BCBCA") on November 5, 1991 and was formerly known as the Working Opportunity Fund (EVCC) Inc. The Company's issued shares include the Legacy Shares (which were formerly designated as Balance Shares (series 2)) and Commercialization Shares (series 2) ("Commercialization Shares"), each referred to as a "Series" and collectively referred to as "Class A shares". The Legacy Shares participate in a separate venture portfolio from that of the Commercialization Shares.

The Company has a divestment objective with respect to its investments in portfolio companies and seeks an orderly realization of value to achieve returns for the holders of Legacy Shares and Commercialization Shares, as the case may be, through the divestment of investments.

Effective May 28, 2021, PTF acquired 100% of the Company's issued and outstanding Commercialization Series shares and over 97% of the Legacy Shares from shareholders of

the Company (the "WOF Transaction") under a plan of arrangement pursuant to the definitive agreement announced on April 7, 2021. In conjunction with the WOF Transaction, the Company changed its name to Pender Private Investments Inc., resigned as an employee venture capital corporation ("EVCC"), made an election to be a public corporation under the *Income Tax Act*, and transitioned from the Canadian securities' regulatory regime for investment companies to the Canadian securities' regulatory regime for reporting issuers which are not investment companies.

The Company has been managed by PenderFund Capital Management Ltd. (the "Manager") since March 1, 2019. On May 28, 2021, PPI and the Manager entered into a new management agreement (the "Management Agreement") which outlined an all-in management and operating fee of 2.50%. This fee is accrued but it is only paid when net divestment proceeds are available. In exchange for this fee, operating expenses are paid by the Manager. The only expenses expected to be paid by the Company are the management fee, fees of the directors, transaction costs and applicable taxes. Other than expenses related to divestment of a portfolio company, expenses of the Company will be allocated to the Legacy Shares (formerly referred to as Balanced Shares (series 2)) and the Commercialization Shares, pro rata on the value of their respective assets or, in the case of fees of the directors, equally between them. In addition to the management fee, the Manager receives a performance fee calculated as 20% of the net divestment proceeds in excess of May 28, 2021 NAV of Legacy Shares, after net divestment proceeds equal to the May 28, 2021 NAV have been disbursed to Legacy Shareholders. As of the date of the Opinion, the Performance Fee hurdle has been met, and as such, any future divestitures result in 20% of the net proceeds (gross proceeds less any associated expenses) being paid to the Manager.

The Manager employs and oversees experienced and professional portfolio advisors who monitor the position of the investments of the Company, financial markets and global events. Also, as the Company holds instruments which are not quoted in the active financial markets, it falls to the Manager to provide the fair value of these investments. In exchange for the services provided by the Manager PPI pays the Manager an all-in management and operating fee of 2.5%. This fee is accrued and paid only when net divestment proceeds are available. In addition to the management fee, the Manager receives a performance or success fee following a reorganization of assets once shareholders have received an amount equal to the per series value of the Company as at the date of the reorganization, the Manager will be entitled to a performance or success fee on the same terms and conditions as calculated under the Company's previously issued incentive participation shares.

The two primary remaining investments of PPI are securities in Copperleaf Technologies Inc. ("Copperleaf") and General Fusion Inc. ("General Fusion"). The Company also holds several other investments in private companies that have a book value of $nil as of the date of the Opinion.

Copperleaf Technologies Inc.

Copperleaf was founded in 2000 with the aim of bringing financial and engineering decision-making together. Copperleaf was incorporated on October 25, 2000, under the *Company Act* (British Columbia) and continued on February 18, 2004 under the *Canada Business Corporations Act.* Copperleaf is a reporting issuer whose shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "CPLF".

Copperleaf is a global provider of artificial intelligence ("AI") powered enterprise decision analytics software solutions, used by organizations in the electric, natural gas, water, oil and gas, pharmaceutical, and transportation industries across the globe. The solutions provided by Copperleaf are being used to manage an estimated $2.8 trillion of infrastructure including tangible and intangible assets in almost 30 countries. In 2021, Copperleaf completed its Initial Public Offering ("IPO") on the TSX.

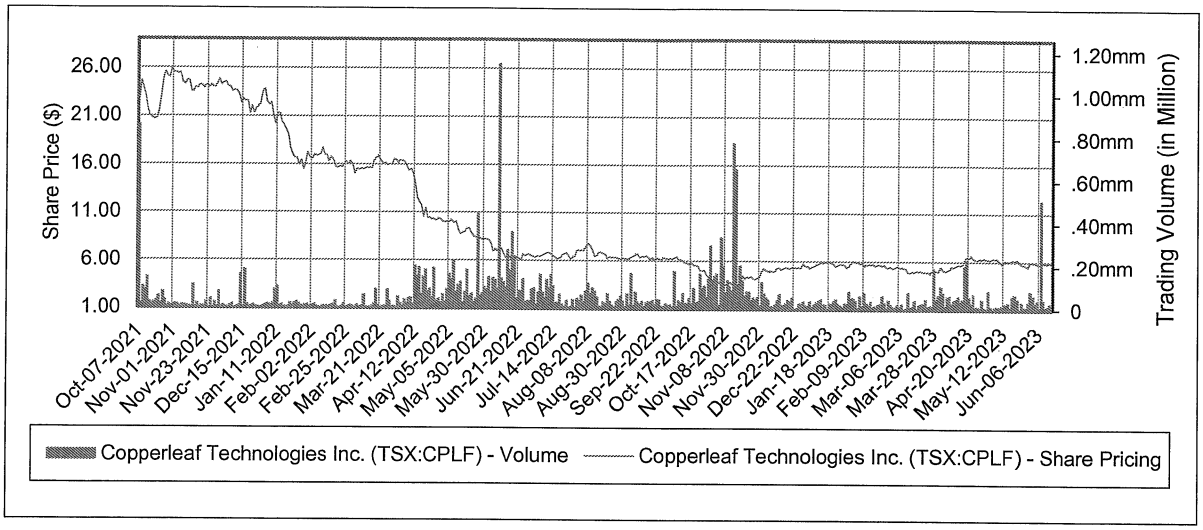
Copperleaf's software performs predictive analytics, risk modeling and analysis, financial and performance modeling, investment portfolio optimization, budgeting, plan approvals, and more. Through the use of artificial intelligence ("AI") and machine learning techniques that analyze large sums of data and create a centralized intelligent environment.

Copperleaf derives its revenues from the sale of asset investment planning software licenses, software as a service ("SaaS"), support and maintenance services, hosting services, and professional services. Copperleaf's global direct sales force serves clients in regions of Americas, Europe, Middle East, Africa, Asia Pacific and Japan.

For the trailing twelve months ended March 31, 2023, Copperleaf reported revenues of $77.8 million and earnings before interest, taxes, depreciation and amortization ("EBITDA") for the same period of -$33.1 million. Overall, Copperleaf's revenues increased from $36.0 million in 2019 to $73.4 million in 2022.

As of the date of the Opinion, the Company held 6,657,541 common shares in Copperleaf which represents over 90% of the Company's assets in terms of dollars.

Since completing its IPO on October 7, 2021, Copperleaf's share price has been volatile as can be seen in the chart below. In the 52 weeks preceding the date of the Opinion, Copperleaf's share price has ranged from a low of $3.23 per common share to a high of $7.86 per common share. On June 20, 2023, the Copperleaf shares closed at $5.80 per common share.



General Fusion Inc.

General Fusion was incorporated under the *Company Act* of British Columbia on April 16, 2002, with the aim of developing clean, safe, and economic fusion energy.

General Fusion is a research and development stage company with the goal of developing a practical path to commercial fusion power, providing a powerful complement to renewables and a pathway to a zero-emission grid. General Fusion continues to work towards the deployment of its power-plant scale fusion demonstration plant to be built at a campus of the UK Atomic Energy Authority in England. This initiative is intended to demonstrate fusion in a power-plant-relevant environment, confirming the performance and economics of the company's technology, leading to the subsequent design of a commercial fusion pilot plant. During the first quarter of 2023, the company announced that it received planning permission for the construction of its demonstration plant with construction expected to start later in the year[1].

In November of 2021, General Fusion announced the closing of a US$130 million over-subscribed Series E round[2] which had begun in 2019. General Fusion has made no subsequent public announcements with respect to its financing plan or financial position.

General Fusion has multiple classes of shares outstanding, with differing liquidation preferences. The Company holds 300,000 common shares, 383,847 series D preference shares, 2,173,610 series B preference shares and 4,770,992 series A1 preference shares.

1.04 PPI signed a non-binding letter of intent on May 24, 2023 ("LOI") with PTF. Evans & Evans reviewed the LOI along with the draft Plan of Arrangement (the "Arrangement")

[1] As per PPI's Management's Discussion and Analysis for the three months ended March 31, 2023
[2] https://generalfusion.com/post/general-fusion-closes-oversubscribed-130-million-transitional-financing-round/

and draft Arrangement Agreement (the "Agreement"). The key terms of the Proposed Transaction as per the Agreement are summarized below.

At the time when the transactions contemplated in the Plan of Arrangement are deemed to have been completed (the "Effective Time") on the date the Arrangement completes ("Effective Date"), the following will occur simultaneously, in each case effective at the Effective Time:

1. Each outstanding Legacy Share held by a Minority Shareholder will, without further act or formality and by or on behalf of a Minority Shareholder, be irrevocably assigned and transferred by the holder thereof to PTF (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the Purchase Price.

2. Purchase Price means $6.8184 per Legacy Share provided, however, that:

    a. in the event the NAV per Legacy Share as of the date that is five business days prior to the Effective Date (the "Effective Date NAV per Legacy Share") is greater than $6.8184, the Purchase Price shall be lesser of $7.1593 and the Effective Date NAV per Legacy Share;

    b. in the event the Effective Date NAV per Legacy Share is less than $6.8184, the Purchase Price shall be greater of $6.4775 and the Effective Date NAV per Legacy Share;

The Purchase Price was calculated as the net asset value ("NAV") per Legacy Share six business days before signing the Agreement (i.e., June 13, 2023). The NAV was determined in accordance with the following:

a. for publicly traded shares within PPI's portfolio, the 30-day volume-weighted average price ("VWAP") of such shares on the principal stock exchange on which such shares are listed, calculated as at such date; and

b. for private companies within PPI's portfolio, 100% of the estimated fair value of such shares (as determined by the Manager) as at such date, calculated consistent with past practice as reflected in the audited financial statements of PPI.

1.05 The Committee retained Evans & Evans to act as an independent advisor to the Committee and to prepare and deliver the Opinion to the Committee to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view, to the Minority Shareholders.

2.0 Engagement of Evans & Evans, Inc.

2.01 Evans & Evans was formally engaged by the Committee pursuant to an engagement letter signed May 27, 2023 (the "Engagement Letter"). The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Committee.

The terms of the Engagement Letter provide that Evans & Evans is to be paid a fixed professional fee for its services. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by PPI in certain circumstances. The fee established for the Opinion has not been contingent upon the opinions presented.

3.0 Scope of Review

3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:

- Multiple interviews with representatives of the Manager to gain an understanding of the Company's current investments, NAV calculation, calculation of performance fees, expense allocations and other calculations relevant to the Proposed Transaction and calculation of the Purchase Price.
- The LOI outlining the terms of the Proposed Transaction.
- The draft Arrangement Agreement between PPI and PTF and the associated draft Plan of Arrangement.
- The NAV calculation for PPI as of May 31, 2023 and June 13, 2023 as prepared by the Manager. Also, discussed with the Manager the valuation methodologies for all the inputs. The June 13, 2023 NAV calculation was utilized to determine the Purchase Price.
- PPI's Management's Discussion and Analysis for the three months ended March 31, 2023 and the year ended December 31, 2022. Prior year reports were not deemed relevant given the divestment objective of the Company.
- The Company's financial statements for the years ended December 31, 2021 and 2022 as audited by KPMG LLP, Chartered Professional Accountants of Vancouver, British Columbia.
- Information provided by the Manager on General Fusion in a data room. The information included financial data, internal reports and presentations.
- A memo prepared by the Manager dated May 25, 2023 outlining the valuation rationale for PPI's investment in General Fusion.
- The Manager's March 31, 2023 valuation analysis for General Fusion.
- Copperleaf's trading price on the TSX Venture Exchange for the 12 months preceding the date of the Opinion.
- Copperleaf's Annual Information Form for the year ended December 31, 2022 and the Management's Discussion and Analysis for the three months ended March 31, 2023.

- Copperleaf's condensed consolidated interim financial statements for the three months ended March 31, 2023.
- Copperleaf's financial statements for the years ended December 31, 2019 to 2022 as audited by KPMG LLP.
- The Arrangement Agreement between Pender Growth Fund Inc. and Working Opportunity Fund (EVCC) Ltd. dated April 6, 2021.
- Estimate Valuation Reports on General Fusion and Copperleaf prepared by Evans & Evans in 2021 in conjunction with a restructuring of investments undertaken by PTF.
- Information on the Company's market from a variety of sources.
- Stock market and financial information on the following public investment companies: Senvest Capital Inc.; Metal Sky Star Acquisition Corporation; Stack Capital Group Inc.; Aberdeen International Inc.; H2 Ventures 1 Inc.; Cuspis Capital III Ltd.; Lions Bay Capital Inc.; Olive Resource Capital Inc.; Minco Capital Corp.; Mundoro Capital Inc.; EMX Royalty Corporation; 49 North Resources Inc.; Elysee Development Corp.; Economic Investment Trust Limited; Great Elm Capital Corp.; Ares Capital Corporation; Oaktree Specialty Lending Corporation; and The Gabelli Dividend & Income Trust.
- **Limitation and Qualification**: Evans & Evans did not interview management of General Fusion or Copperleaf.

4.0 Market Overview

4.01 In assessing the fairness of the Arrangement as of the date of the Opinion, Evans & Evans reviewed venture capital markets in Canada.

4.02 Canada's Venture Capital ("VC") market ended the year 2022 on a strong note with over US$10 billion invested in Canadian companies across 1,080 deals, making it the second highest in a year on record, with 2021 being the highest with US$13 billion invested in 1,361 deals[3]. Despite significant market opportunities, ongoing geopolitical and economic upheaval including recessionary fears, the venture capital market in Canada is robust. The maturing innovation ecosystem in Canada is attracting a wide array of venture capital investors[4]. As it can be clearly seen by the increase in average deal sizes for pre-seed stage and seed stage companies year over year.

Tough economic conditions have led to more investment being directed at capital-efficient and recession-proof businesses. This has increased investor interest in business-to-business

[3] https://kpmg.com/ca/en/home/insights/2023/01/venture-pulse-q4-2022.html
[4] https://www.cvca.ca/research-insight/market-reports/year-end-2022-vc-pe-canadian-market-overview#:~:text=Overall%2C%20the%20annual%20exit%20value,exit%20value%20of%20%24668M.

("B2B") software-as-a-service businesses. There is only a marginal slowdown in critical infrastructure like cloud, cybersecurity and automation.

4.03 Ontario, Quebec and British Columbia account for 88% of VC activities and dollars invested. Ontario received 47% of all the investment in 2022, with Toronto being the epicentre of the investment activity raising over $4.1 billion over 216 transactions. The largest deal in the province was also the largest in Canada. 1Password, a Toronto based password manager company closed a $775M Series C round in Q1 2022 from a consortium of US and Canadian investors[2].

Quebec received 25% of the investments in 2022, amounting to $2.5 billion in 153 deals. Montreal based Paper education Co Inc. received $342M in Series D financing in Q1 2022. It was the largest disclosed deal in Quebec in 2022. British Columbia received $1.6 billion invested over 106 deals which was 16% of the VC investments in 2022. Svante, a carbon capture technology company received $434M in a in a Series E round in Q4 2022. In 2022, VC investments in Alberta increased to $729 million was across 85 VC deals as compared to $670 million in 2021, making Alberta one of the few provinces to witness an increase in VC investment despite fears of recession looming on the horizon. Nova Scotia, New Brunswick and Newfoundland received $149 million, $66 million and $11 million, respectively. [2]

4.04 While investment in early and later companies normalized to pre-pandemic levels, pre-seed and seed stage investment received similar levels of investment in 2022 as compared to 2021. Growth equity stage companies experienced a sharp decline of investment at negative 73% due to uncertainty in public markets and absence of initial public offerings. Early-stage investment declined by 37% year on year with $3.8 billion in investment in 2022. Pre-seed, seed and later stages experienced an increase in average deal sizes, where the pre-seed and seed stage average deal size increased 79% and 8%, respectively. Early stage and growth stage deal sizes declined 25% and 60%, respectively in comparison to the average in 2021.

In 2022, pre-seed stage companies received $88 million in investment which was an increase of 43% in terms of deal value compared to 2022. As VC investors remain willing to support promising start-ups, with $703 million invested in 2022.[2]

4.05 Information, Communications and Technology ("ICT") sector accounted for over half of all VC transactions in Canada. The investment in ICT almost tripled to reach $6.2 billion in 2022 as compared to $2.3 billion in 2020. Investment in life sciences closed at $1 billion in total deal value for the year 2022. As the government of Canada announced initiatives, such as 'Refundable Tax credits for Clean Technologies', and increased focus on achieving a net-zero emissions target, it is driving more attention towards cleantech. The cleantech sector closed VC transactions of $1 billion in 2022 and is expected to continue receiving elevated levels of investment in 2023. Agribusinesses experienced the highest levels of investment with $226 in 2022.

4.06 High uncertainty in public markets led to increased activity in the VC debt. In 2022, $664 million was disbursed over 124 transactions, making it the most active year for VC debt on record.

4.07 The year 2022 witnessed the lowest levels of VC exits with a decline of 92% in exit value making it the lowest ever recorded in a year. There were no IPOs in 2022 as the growing market uncertainty made it difficult for companies to seek capital through public markets. Therefore, Merger and Acquisition ("M&A") was the preferred transaction route with 29 M&As in 2022 with a total exit value of $668 million.

5.0 Prior Valuations

5.01 Management has represented to Evans & Evans that, to the best of their knowledge, there have been no formal independent valuations or appraisals relating to the Company made in the preceding two years which are in the possession or control of PPI or the Manager. Evans & Evans has reviewed various valuation memorandums prepared by the Manager on PPI portfolio companies as outlined in section 3.0 of this Opinion.

6.0 Conditions and Restrictions

6.01 The Opinion may not be relied upon by any party beyond the Committee and the Board of PPI. The Opinion may be referenced and/or included in PPI's information circular and may be submitted to PPI's shareholders and filed by the Company, as necessary, with the applicable securities commissions in Canada where the Company is a reporting issuer.

6.02 The Opinion may be submitted to the court approving the Arrangement. The Opinion may not be used in any court proceedings unrelated to the approval of the Arrangement.

6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any Canadian or international tax authority. Such use is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Arrangement).

6.04 Any use beyond that defined above in 6.01 to 6.03 is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

6.05 The Opinion is not a formal valuation or appraisal of the Company and its investments or assets and our Opinion should not be construed as such. Evans & Evans has, however, conducted such analyses as we considered necessary in the circumstances.

6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Manager. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results

presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.

The Opinion is based on: (i) our interpretation of the information which PPI, as well as its representatives and advisers, have supplied to-date; (ii) our understanding of the terms of the Arrangement; and (iii) the assumption that the Arrangement will be consummated in accordance with the expected terms.

6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.

6.08 Evans & Evans denies any responsibility, financial, legal or other, for any use and/or improper use of the Opinion however occasioned.

6.09 Evans & Evans is expressing no opinion as to the price at which any investments of PPI will trade on any stock exchange at any time.

6.10 No opinion is expressed by Evans & Evans whether any alternative transaction might have been more beneficial to the Minority Shareholders.

6.11 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.

6.12 In preparing the Opinion, Evans & Evans has relied upon a letter from the Manager confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.

6.13 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view to the Minority Shareholders, of the Arrangement were based on its review of the Arrangement taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the

Arrangement or the Arrangement outside the context of the matters described under "Scope of Review". The Opinion should be read in its entirety.

6.14 Evans & Evans expresses no opinion or recommendation as to how any Minority Shareholder should vote or act in connection with the Arrangement, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by the Company from the appropriate professional sources. Furthermore, we have relied, with the Company's consent, on the assessments by the Company and its advisors, as to all legal, regulatory, accounting and tax matters with respect to the Company and the Arrangement, and accordingly we are not expressing any opinion as to the value of the Company's tax attributes or the effect of the Arrangement thereon.

6.15 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

7.0 Assumptions

7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.

7.02 With the approval of PPI and as provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by PPI or its affiliates or any of its respective officers, directors, consultants, advisors or representatives (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

7.03 Senior officers of the Manager have represented to Evans & Evans that, among other things: (i) the Information provided orally by, an officer or employee of the Manager or in writing by the Manager (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to PPI, its affiliates or the Arrangement, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of PPI, the PPI investments, their respective affiliates or the Arrangement and did not and

does not omit to state a material fact in respect of PPI, its affiliates or the Arrangement that is necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial forecasts, projections, estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of the Manager as to the matters covered thereby and such financial forecasts, projections, estimates and budgets reasonably represent the views of management of the financial prospects and forecasted performance of PPI; and (iii) since the dates on which the Information was provided to Evans & Evans, (A) except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of PPI, or any of its affiliates and (B) to the best of the knowledge of the Manager, no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.

7.04 To the best of the knowledge of the Manager, there has been no material change in any PPI portfolio company since the date the Information was provided to Evans & Evans.

7.05 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the copies provided to us, all of the conditions required to implement the Arrangement will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Arrangement are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any information circular provided to shareholders with respect to PPI and the Arrangement will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Arrangement. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.

7.06 The Company and all of its related parties and principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management in its financial statements that would affect the evaluation or comment.

7.07 As of June 13, 2023, all assets and liabilities of PPI have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.

7.08 The Manager's estimates of costs to be incurred between the signing of the Arrangement and the closing of the Proposed Transaction represent the best estimates of such costs.

8.0 Review of PPI and the Purchase Price

8.01 As outlined in section 1.03 of the Opinion, the Company, over the past several years, has been focused on divesting its remaining assets. As such, PPI has focused on maximizing returns from the remaining investments and no new investments were made in 2021 or 2022. Thus, the NAV of the Company has largely fluctuated based on the value attributable to its most significant investment, the common shares in Copperleaf. As such, a review of the historical NAV is not relevant to the Purchase Price, other than to review consistency in its calculation.

8.02 The Purchase Price was based on the NAV of the Company as of June 13, 2023 as calculated by the Manager. Evans & Evans reviewed the NAV calculations and conducted its own analysis of the remaining investments held by PPI. As of June 13, 2023, the total assets included in the NAV was $52.1 million. The two primary contributors to total assets were the investment in Copperleaf with a recorded value of approximately $39.9 million (77%) and the investment in General Fusion which represents less than 15% of the total assets. The remaining assets primarily consisted of cash and receivables.

The largest liability of the Company included in the NAV calculation is the approximately $8.1 million owed to the Manager and included on the Company's audited financial statements as "accrued performance fees". As all hurdles have been met by the Manager, the Performance Fee is paid on any divestitures made by PPI. In the Purchase Price, the Performance Fee has been calculated as 20% of the value of the investment in Copperleaf, less certain transaction costs, direct costs incurred by the Manager through to closing of the Proposed Transaction and fees paid to the Board and the Committee of PPI. The Manager's estimate of the value of the investment in Copperleaf is discussed in section 8.03 of this opinion. The accrued Performance Fee does not consider any value attributable to the investment in General Fusion given its current operating performance.

8.03 As outlined in the draft Agreement, the value of Copperleaf, PPI's highest value asset, is determined based on the 30-day volume weighted average price ("VWAP") as of June 13, 2023. As can be seen from the following table, Copperleaf's VWAP had been trending downwards as of the date of the Opinion. Given the six-day difference between the calculation of the Purchase Price and the date of the Opinion, Evans & Evans also reviewed the 30-day VWAP of Copperleaf as of the date of the Opinion and found that the Copperleaf 30-day VWAP had declined further by approximately 1.3% to reach $5.915 as opposed to the $5.9973 utilized in the NAV calculation.

VWAP	13-Jun-23	20-Jun-23
5-Days Preceding	$5.883	$5.807
10-Days Preceding	$5.843	$5.845
20-Days Preceding	$5.901	$5.817
30-Days Preceding	$5.998	$5.915

PPI holds 6,657,541 common shares in Copperleaf, representing approximately 9.45% of the issued and outstanding common shares of Copperleaf. Evans & Evans also reviewed the trading volumes of Copperleaf to determine the liquidity of PPI's investment in Copperleaf. Evans & Evans found in the 60 days preceding the date of the Purchase Price calculation, on average 50,000 common shares of Copperleaf traded per day on the TSX. Thus, the ability of the Manager to liquidate the investment in Copperleaf in a timely manner is limited. In the 60-days preceding June 13, 2023, only 4.4% of Copperleaf's common shares traded on the TSX.

Trading Volume	June 13, 2023				
	Minimum	Average	Maximum	Total	%
10-Days Preceding	9,145	84,136	509,913	841,361	1.2%
30-Days Preceding	1,700	45,955	509,913	1,378,663	2.0%
60-Days Preceding	1,700	51,796	509,913	3,107,784	4.4%

Evans & Evans confirmed the Manager's VWAP as included in the NAV calculation of the Purchase Price. Evans & Evans also noted that the Manager did not include any blockage discount in its calculation. The International Glossary of Business Valuation Terms defines blockage discount as, "*an amount or percentage deducted from the current market price of a publicly traded stock to reflect the decrease in the per share value of a block of stock that is of a size that could not be sold in a reasonable period of time given normal trading volume.*" It is a generally accepted principle that when the demand for a stock of a public company exceeds the available supply, the price of that stock rises in order to stimulate additional supply. Inversely, when the available supply of stock of a public company increases, the price of that stock will decline in order to stimulate additional demand. When a block of stock is too large for the market to absorb without depressing the price, the "hypothetical buyer" would demand a lower price since the buyer is taking on the risk that the stock price may decline while they try to liquidate their position.

In the view of Evans & Evans, the Manager's calculation of the value of the investment in Copperleaf is beneficial for the Minority Shareholders as it does not consider the time or cost to liquidate the common shares over a period of time. While there is the risk that the price of the Copperleaf common shares could increase in the future, there is no assurance as to when or if such share appreciation would occur.

8.04 The Manager determined the value of the investment in General Fusion consistent with the historical approach for this investment. The Manager values PPI's interest in General Fusion using a milestone approach given the company is pre-revenue, and in the research and development phase. Over the past several years General Fusion has set out to raise capital to build a fusion demonstration plant, and in doing so demonstrate break-even energy and commercialize its technology. Applying the milestone valuation approach, the indication of value for General Fusion was based on the fair value established by arms' length investments benchmarked against the milestones achieved or missed.

With respect to General Fusion, Evans & Evans considered that General Fusion, while in advanced development, is still several years from revenue generation.

In the view of Evans & Evans, the Manager's valuation of General Fusion is reasonable given the stage of development.

8.05 Evans & Evans reviewed with the Manager the private investments that had $nil value as of the date of the Purchaser Price NAV calculation. Such investments also carry a $nil value on the Company's audited financial statements. Evans & Evans found no rationale to support that a value above $nil could be reasonably calculated and supported.

8.06 With respect to the accrued Performance Fee, Evans & Evans interviewed parties in the fund management industry to determine the reasonableness of deducting the fees based on the value of Copperleaf given these shares have not yet been divested. The interviewees noted that in determining performance fees the two biggest uncertainties are whether all hurdles will be met for the performance fee to be "earned" and secondly the ability to value the underlying investments on which the performance fees will be based. In the case of PPI and Copperleaf, the Performance Fee has been earned and there is an observable market price for the Copperleaf common shares. An alternative way to look at the NAV is that because the Performance Fee hurdles have been met, essentially the PPI shareholders own an 80% economic interest in the remaining assets.

9.0 Conclusions as to Fairness

9.01 Based on the above information, observations and analyses by Evans & Evans as well as other relevant factors applying to PPI and the Arrangement, Evans & Evans is of the opinion that the Arrangement is fair, from a financial point of view, to the Minority Shareholders.

9.02 In considering fairness, from a financial point of view, Evans & Evans considered the Arrangement from the perspective of the Minority Shareholders as a whole and did not consider the specific circumstances of any particular shareholder, including with regard to income tax considerations.

9.03 In arriving at the above-noted conclusions as to the fairness of the Arrangement, Evans & Evans considered the following:

a. Evans & Evans reviewed and confirmed the calculations of NAV that determined the Purchase Price.

b. In the opinion of Evans & Evans, the value of the Copperleaf shares as included in the NAV calculation is beneficial to the Minority Shareholders as the Copperleaf trading price has largely been trending downwards and the Manager has not considered the lack of liquidity in the Copperleaf shares in its analysis.

c. In the opinion of Evans & Evans, the value attributed to the investment in General Fusion is supportable.

d. The exclusion of the value of General Fusion in determining the Performance Fee obligation is reasonable given the uncertainty as to when or if the investment will be realized.

e. The majority of the expenses associated with the Proposed Transaction are being incurred by PTF, thereby increasing the proceeds available to the Minority Shareholders. Only fees paid to the Board and the Committee are included in the NAV calculation, not the associated legal fees.

9.0 Qualifications & Certification

9.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 37 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of over 3,500 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms.

Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 2,500 valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designation of CBV and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

9.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators.

9.03 The authors of the Opinion have no present or prospective interest in PPI, PTF, the Manager or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,

Evans & Evans

EVANS & EVANS, INC.

APPENDIX D

Interim Order

(Attached)

No._S-234771_
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288 and 291 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PENDER PRIVATE INVESTMENTS INC., CERTAIN OF ITS SHAREHOLDERS AND PENDER GROWTH FUND INC.

PENDER PRIVATE INVESTMENTS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE MASTER BILAWCH

Thursday, the 6th day of July 2023

ON THE APPLICATION of Pender Private Investments Inc. ("**PPI**") for an Interim Order under section 291 of the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "**BCBCA**") with an arrangement under section 288 of the BCBCA, without notice, coming on for hearing July 7, 2023, and on hearing Chilwin Cheng, counsel for the Petitioner and upon reading the Affidavit No. 1 of Natalie Dakers *affirmed* on July 4, 2023 (the "**Dakers Affidavit**") and Affidavit # 2 of Natalie Dakers affirmed July 5, 2023 filed in this proceeding;

THIS COURT ORDERS that:

1. The Petitioner, PPI, be permitted to convene, hold and conduct a special meeting (the "**Meeting**") of the holders of Class A (Series 1) Legacy Shares (the "**Minority Shares**"), excluding Pender Growth Fund Inc. (the holders of the Minority Shares except Pender Growth Fund Inc. referred to collectively as the "**Minority Shareholders**"), to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") authorizing, approving and adopting, with or without amendment, an arrangement (the "**Arrangement**") and the plan of arrangement implementing the Arrangement (the "**Plan of Arrangement**"), substantially in the form attached as Exhibit **"B"** to the Dakers Affidavit.

2. The Meeting shall be called, held and conducted in or on such other date as may result from postponement or adjournment under paragraph 4 of this Interim Order, under the BCBCA, the notice of articles and articles of PPI, and subject to this Interim Order and any further order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order, and for any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating or governing or collateral to the Minority Shares or to which such shares are collateral, or the articles of PPI, this Interim Order shall govern.

AMENDMENTS

3. Until the Meeting is held, the Petitioner may make, in the manner contemplated by and subject to the arrangement agreement of PPI dated June 21, 2023 (the "**Arrangement Agreement**") and Plan of Arrangement, such amendments, revisions or supplements to the Arrangement Agreement, Arrangement, Plan of Arrangement, a notice of special meeting for the Meeting or the Circular as it may determine without further Order. The Arrangement Agreement, Arrangement and Plan of Arrangement as so amended, revised, or supplemented shall be the Arrangement Agreement, Arrangement and Plan of Arrangement that is the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

4. The board of directors of PPI (the "**Board**") by resolution may adjourn or postpone the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Minority Shareholders regarding the adjournment or postponement, and with no approval of the Court, subject to the Arrangement Agreement. Notice of any such adjournment shall be given by press release, newspaper advertisement, or by notice sent to the Minority Shareholders by one method specified in paragraph 6 of this Interim Order, as determined by the Board to be the most appropriate method of communication.

RECORD DATE

5. The record date (the "**Record Date**") for determining Minority Shareholders entitled to receive notice of and attend the Meeting is the close of business on July 7, 2023.

NOTICE OF THE MEETING

6. The following:

(a) notice of special meeting for the Meeting;

(b) the Circular;

(c) a form of Notice of Hearing of Petition; and

(d) the form of proxy or voting instruction form for use by the Minority Shareholders

(collectively, the "**Meeting Materials**"), in substantially the same form as the Exhibits to the Dakers Affidavit, with such amendments and inclusions to them as the directors of PPI and counsel for the Petitioners may deem necessary or desirable if such amendments and inclusions are not inconsistent with this Interim Order, and this Interim Order (collectively with the Meeting Materials, the "**Mailed Materials**") shall be sent to:

(I) the Minority Shareholders as they appear on the central securities register of PPI on the Record Date, such Mailed Materials to be sent at least ten days before the date of the Meeting, by one of these methods:

(i) by email or facsimile transmission to any Minority Shareholder who identifies himself, herself, or itself to the satisfaction of PPI, acting through its representatives, who has provided PPI with his, her or its email or address or facsimile number;

(ii) by recognized overnight courier addressed to the Minority Shareholders at his, her, or its address as it appears on the central securities register of PPI as at the Record Date; or

(ii) by delivery in person or by delivery to the addresses specified in paragraph (ii) above; and

(II) the directors and auditors of PPI by mailing the Mailed Materials by ordinary

prepaid mail, or by email or facsimile transmission, to such persons at least ten days before the date of the Meeting;

and that sending of the Notice of Hearing of Petition as herein described, shall constitute sufficient service of the Petition and the Dakers Affidavit upon all recipients of the Notice of Hearing of Petition and that the Notice of Hearing of Petition shall constitute sufficient service upon all who may wish to appear in these proceedings, and no other service need be made.

7. Delivery of the Mailed Materials as ordered herein shall constitute compliance with the requirements of section 290(1)(a) of the BCBCA.

8. The accidental failure or omission to give notice of the Meeting or Notice of Hearing of Petition to, or the non-receipt of such notices by, or any failure or omission to give such notice because of events beyond the reasonable control of PPI (including, without limitation, any inability to use postal services) to any one or more persons specified shall not breach this Interim Order, or concerning notice to the Minority Shareholders, a defect in the calling of the Meeting, and shall invalidate no resolution passed or proceeding taken at the Meeting. However, if any such failure or omission is brought to the attention of PPI, then it shall use reasonable efforts to rectify it by the method and in the time most reasonably practical in the circumstances.

9. PPI be free to give notice of this application to persons outside the jurisdiction of this Court in the manner specified.

10. The full text of the Plan of Arrangement shall be posted on SEDAR (System for Electronic Document Analysis and Retrieval), the mandatory filing system used by reporting issuers in Canada for electronically filing most securities related information with the Canadian securities regulatory authorities. The website is located at http://www.sedar.com.

DEEMED RECEIPT OF NOTICE

11. The Mailed Materials shall be deemed, for this Interim Order, to have been received:

(a) With mailing, the day (Saturdays, Sundays and holidays excepted), following the date of mailing;

(b) With delivery in person, upon receipt of the Mailed Materials at the intended recipient's address or with delivery by courier, one (1) business day after receipt by the courier;

(c) With transmission by email or facsimile, upon the transmission of the Mailed Materials thereof; and

(d) With advertisement, at the time of publication of the advertisement.

UPDATING MEETING MATERIALS

12. Notice of any amendments, updates or supplements to the information provided in the Mailed Materials may be communicated to the Minority Shareholders by notice sent to the Minority Shareholders by the means in paragraph 6 herein, as determined to be the most appropriate method of communication by the Board.

QUORUM AND VOTING

13. The quorum for the Meeting will be two Minority Shareholders holding in aggregate at least 5% of the Minority Shares entitled to be voted at the Meeting, represented in person or by proxy.

14. Each Minority Shareholder may have one vote for each Minority Share held by such Minority Shareholder.

15. To be effective, the Arrangement Resolution must be approved by not less than 66⅔% of the votes cast by the holders of the Minority Shares present in person or represented by proxy at the Meeting.

16. The only persons entitled to vote at the Meeting or any adjournment of the Meeting either in person or by proxy shall be the registered holders of Minority Shares as at the close of business in British Columbia on July 7, 2023, excluding Pender Growth Fund Inc..

17. The persons entitled to attend the Meeting will be Minority Shareholders and their duly appointed proxyholders, the officers, directors, and legal counsel of PPI, and such other persons who receive the consent of the chairperson of the Meeting.

SCRUTINEER

18. TSX Trust Company be appointed as a scrutineer of the Meeting.

SOLICITATION OF PROXIES

19. PPI may use the form of proxy for the Meeting, in substantially the same form as Exhibit **"C"** to the Dakers Affidavit, and PPI may generally waive the time limits for deposit of proxies by Minority Shareholders if PPI deems it reasonable to do so. PPI may solicit proxies, directly and through their officers, directors, and employees, and through such agents or representatives as either of them may retain for that purpose, and by mail or such other forms of personal or electronic communication as either of them may determine.

20. The procedure for proxies at the Meeting shall be as set out in the Meeting Materials.

APPLICATION FOR THE FINAL ORDER

21. Unless the directors of PPI by resolution determine to terminate the Arrangement Agreement under its terms, upon the approval, with or without variation, by the Minority Shareholders of the Arrangement Resolution, in the manner in this Interim Order, the Petitioners may apply to this Court for an order (the "**Final Order**"):

    (a) Under section 291(4)(c) of the BCBCA, declaring that the Arrangement, including the terms thereof, is fair and reasonable to the Minority Shareholders; and

    (b) Under section 291(4)(a) of the BCBCA, approving the Arrangement, including the terms thereof,

    and that the application for the Final Order (the "**Final Application**") be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on or about **August 15, 2023** at 9:45 a.m., or as soon after that as the Court may direct or counsel for PPI may be heard, and that PPI be free to proceed with the Final Application on that date.

22. Any Minority Shareholder, any director or auditor of PPI, or any other interested party with leave of the Court desiring to support or oppose the application may appear and submit at the Final Application only if such person:

(a) files a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, with any evidence or material to be presented to the Court at the hearing of the Final Application; and

(b) delivers the filed Response to Petition with a copy of any evidence or material to be presented to the Court at the hearing of the Final Application, to the Petitioners' counsel at:

Ascendion Law
Suite 720
789 Pender Street West
Vancouver, British Columbia
Canada
V6H 1C2

Attention: Chilwin Cheng

by or before 1600 hours (4 p.m.) (Vancouver time) on August 8, 2023.

23. The only persons entitled to notice of any further proceedings herein, including any hearing to sanction and approve the Arrangement, and to appear and be heard thereon, shall be the solicitors for PPI and persons who have filed and delivered a Response to Petition under this Interim Order.

24. Subject to other provisions in this Interim Order, no material other than that contained in the Circular need be served on any persons regarding these proceedings.

25. If the Final Application is adjourned, only those who have filed and delivered a Response to Petition under this Order need to be served and provided with notice of the adjourned date.

26. The Petitioners may apply to vary this Order.

27. Rules 8-1 and 16-1(8)–(12) will not apply to any further applications regarding this proceeding, including the Final Application and any application to vary this Interim Order.

28. The Petitioners shall, and do, have the liberty to apply for such further orders as may be appropriate.

BY THE COURT

REGISTRAR

ENDORSEMENTS ATTACHED

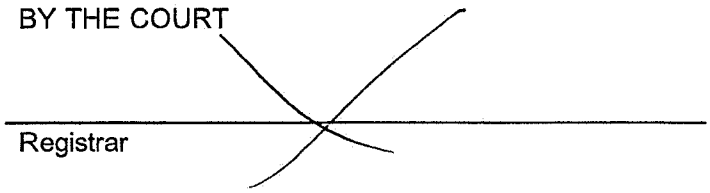
WSLEGAL\085354\00005\34677263v4

CHECKED

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Pender Private Investments Inc.
Lawyer: **Chilwin Cheng**

BY THE COURT



Registrar

APPENDIX E

Notice of Hearing of Petition for Final Order

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 AND 291 OF THE *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, C.57, AS AMENDED

AND:

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PENDER PRIVATE INVESTMENTS INC., CERTAIN OF ITS SHAREHOLDERS AND PENDER GROWTH FUND INC.

PENDER PRIVATE INVESTMENTS INC.

PETITIONER

NOTICE OF HEARING OF PETITION

TO: The holders of Pender Private Investments Inc. ("**PPI**") Class A shares, Series 1 (Legacy Shares) other than Pender Growth Fund Inc. (the "**PPI Minority Shareholders**")

1. PPI notifies the Minority Shareholders that it has filed a Petition to the Court in the Supreme Court of British Columbia for approval, under section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto (the "**BCBCA**"), of an arrangement contemplated in an Arrangement Agreement dated **June 21, 2023** (the "**Arrangement**").

2. By an Interim Order made after Application pronounced by the Supreme Court of British Columbia on July 6, 2023 (the "**Interim Order**"), the Court has given directions as to the calling of a meeting (the "**Meeting**") of the Minority Shareholders for, among other things, considering and voting upon the special resolution to approve the Arrangement.

3. If the Arrangement is approved at the Meeting, the Petitioner intends to apply to the Supreme Court of British Columbia for a final order (the "**Final Order**") approving the Arrangement, declaring it to be fair and reasonable to the PPI Minority Shareholders, which application will be heard at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on or around **August 15, 2023 at 9:45 a.m.** (Vancouver time) or as soon thereafter as the Court may direct or counsel for PPI may be heard.

4. IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled

"Response to Petition" with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to the Petitioner's address for delivery, which is set out below, no later than **August 8, 2023**, **4:00 p.m. (Vancouver Time).** You or your solicitor may file the Response to Petition. You may obtain a form of Response to Petition at the Registry. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

5. You may also obtain a copy of the Response to Petition, which is referred to by the Supreme Court of British Columbia as “Form 33” by visiting the website at: **https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/168_2009_04#Form67**

6. If you do not file a Response to Petition and attend either in person or by counsel at the time of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the Minority Shareholders.

7. A copy of the Petition to the Court and the other documents filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any PPI Minority Shareholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery for this proceeding is:

Ascendion Law
Suite 720
789 Pender Street West
Vancouver, BC V6C 1H1

Attention: Chilwin Cheng

Alternatively, materials may be delivered by electronic mail to service@ascendionlaw.com and will be deemed to be properly served if Ascendion Law replies to the email acknowledging receipt of the materials and will be deemed to have been received on the day that the email is received.

_____

Solicitor for the Petitioner July ___ 2023

APPENDIX F

Sections 237 to 247 of the Business Corporations Act

Definitions And Application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or
(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or
(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
(g) in respect of any other resolution, if dissent is authorized by the resolution;
(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for
    (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
    (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for
    (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
    (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and
(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and
(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,
(b) a statement advising of the right to send a notice of dissent, and
(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and
(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and
(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
    (i) the names of the registered owners of those other shares,
    (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
    (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
    (i) the name and address of the beneficial owner, and
    (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
    (i) the date on which the company forms the intention to proceed, and
    (ii) the date on which the notice of dissent was received, or
(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,
(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,
(b) the certificates, if any, representing the notice shares, and
(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
    (i) the names of the registered owners of those other shares,
    (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
    (iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and
(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or
(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
(b) the resolution in respect of which the notice of dissent was sent does not pass;
(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
(h) the notice of dissent is withdrawn with the written consent of the company;
(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.