

Davidson & Company Annual TMX Update

Andy Creech

January 15, 2019



January 2019

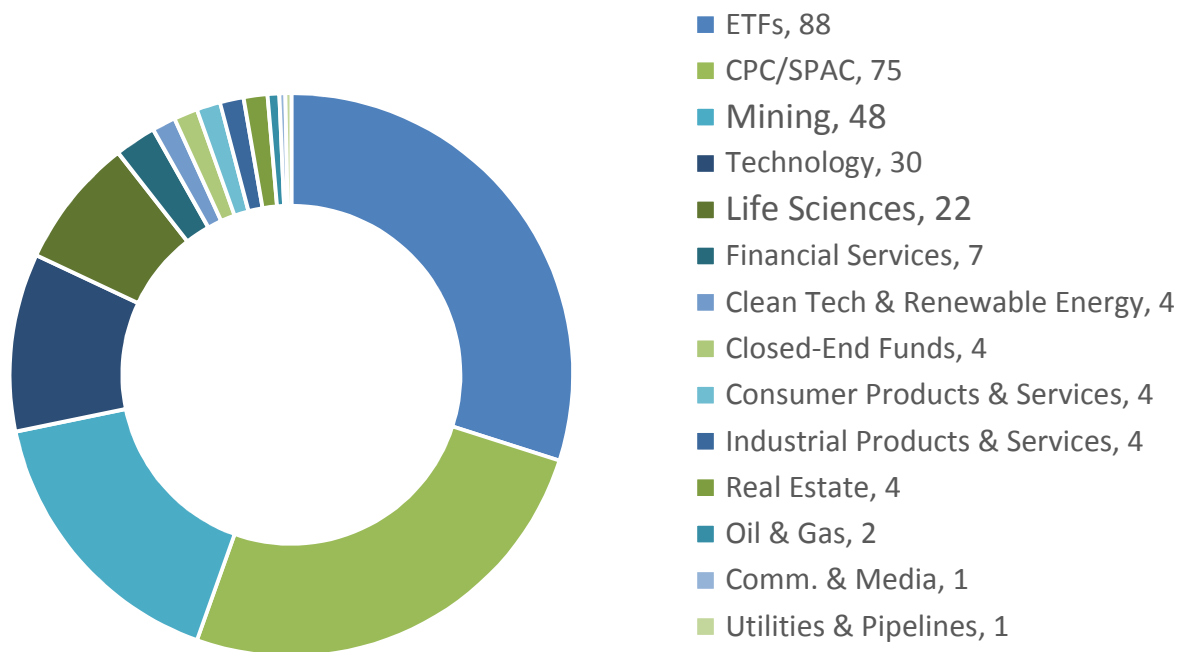
TOPICS OF DISCUSSION

1. TSX/TSXV Market Updates
2. TSXV Interpretative Guidance for “History of Operations / Validation of Business” Listing Requirement
3. TSX Website Disclosure
4. TSX Security Based Compensation

New Listings* (YTD October 2018)

294 new listings on TSX (118) and TSXV (176)

127 Companies + 88 ETFs + 75 CPCs + 4
Closed-End Funds



What's New on TSX and TSX Venture Exchange (YTD October 31, 2018)

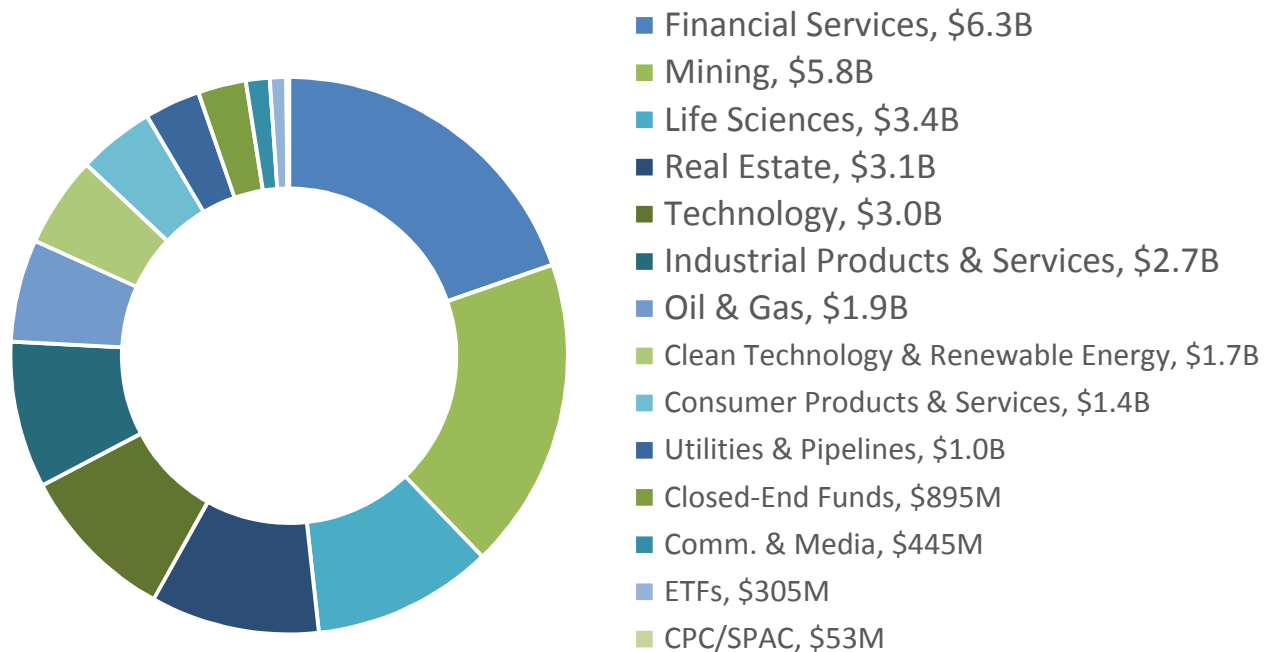
TSXV and TSX		YTD October-2018				YTD October-2017				
Sector		Canada	US	Int'l	Total	Canada	US	Int'l	Total	
Clean Tech & Renewable		3	-	1	4	3	-	-	3	
Closed-End Funds		4	-	-	4	3	-	-	3	
Comm. & Media		1	-	-	1	2	1	-	3	
Consumer Products		3	1	-	4	12	-	-	12	
CPC/SPAC		72	1	2	75	31	-	-	31	ALL TSXV
ETFs		88	-	-	88	91	-	-	91	
Financial Services		6	1	-	7	7	-	-	7	
Industrial Products		3	-	1	4	4	-	-	4	
Life Sciences		21	1	-	22	19	2	1	22	14 of 22 on TSXV
Mining		42	-	6	48	51	-	6	57	40 of 48 on TSXV
Oil & Gas		2	-	-	2	5	-	-	5	
Real Estate		3	1	-	4	2	-	-	2	
Technology		25	3	2	30	5	1	1	7	24 of 30 on TSXV
Utilities & Pipeline		1	-	-	1	1	-	-	1	
Total		274	8	12	294	236	4	8	248	

Equity Capital Raised (YTD October 2018)

\$32.1 billion on TSX and TSXV

\$59.1 million - Average financing size on TSX

\$4.2 million - Average financing size on TSXV



What's Financed on TSX Venture Exchange by Sector (YTD October 31, 2018)

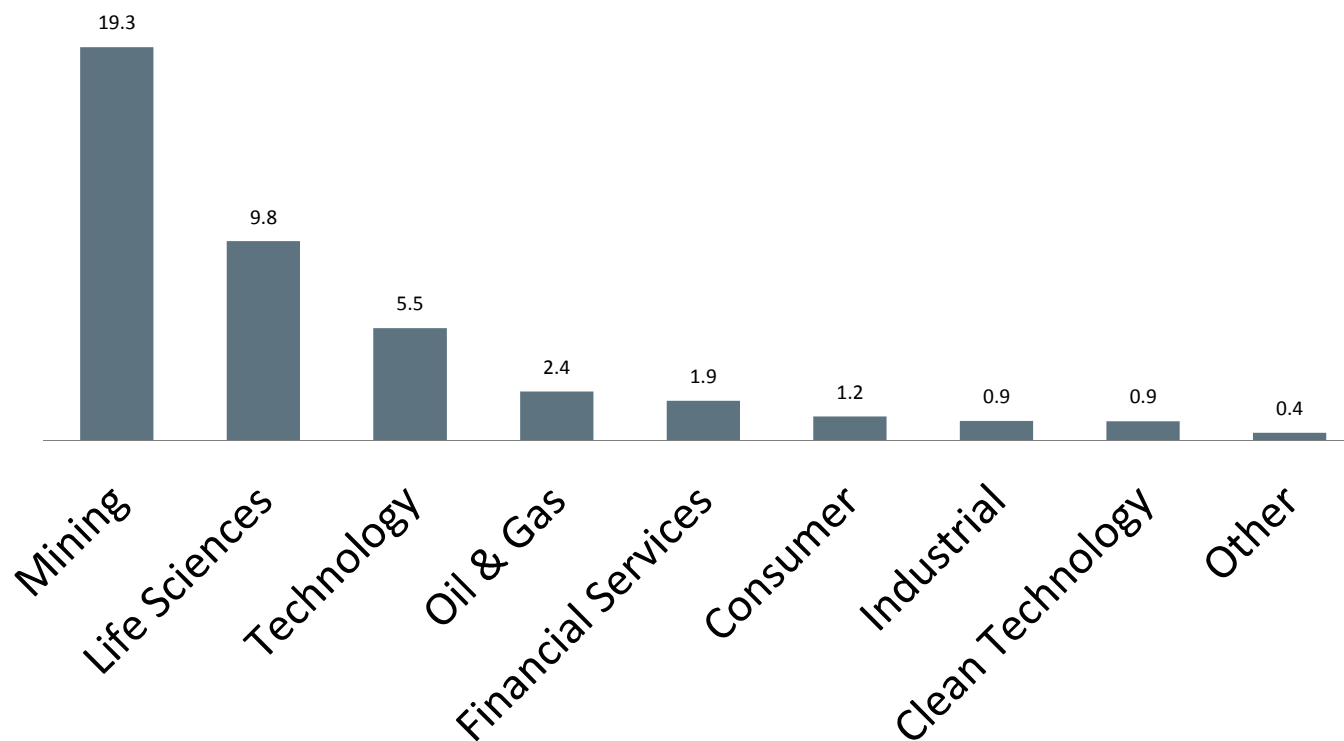
Sector	TSX Venture Exchange (C\$ Millions)			
	<i>IPO</i>	<i>PO</i>	<i>PP</i>	<i>Total</i>
Clean Technology & Renewable Energy	-	13.5	101.2	114.7
Closed-End Funds				
Comm. & Media	-	3.1	8.8	12.0
Consumer Products & Services	-	-	85.9	85.9
CPC/SPAC	29.3	-	23.2	52.5
ETFs				
Financial Services	-	115.8	474.9	590.7
Industrial Products & Services	-	24.8	153.7	178.5
Life Sciences	-	920.1	227.9	1,148.0
Mining	10.0	544.0	2,181.0	2,735.0
Oil & Gas	-	68.0	257.7	325.7
Real Estate	-	82.9	28.3	111.2
Technology	19.1	64.6	448.0	531.7
Utilities & Pipelines	-	-	-	-
TOTAL	58.4	1,836.8	3,990.6	5,885.8

What's Financed on TSX by Sector (YTD October 31, 2018)

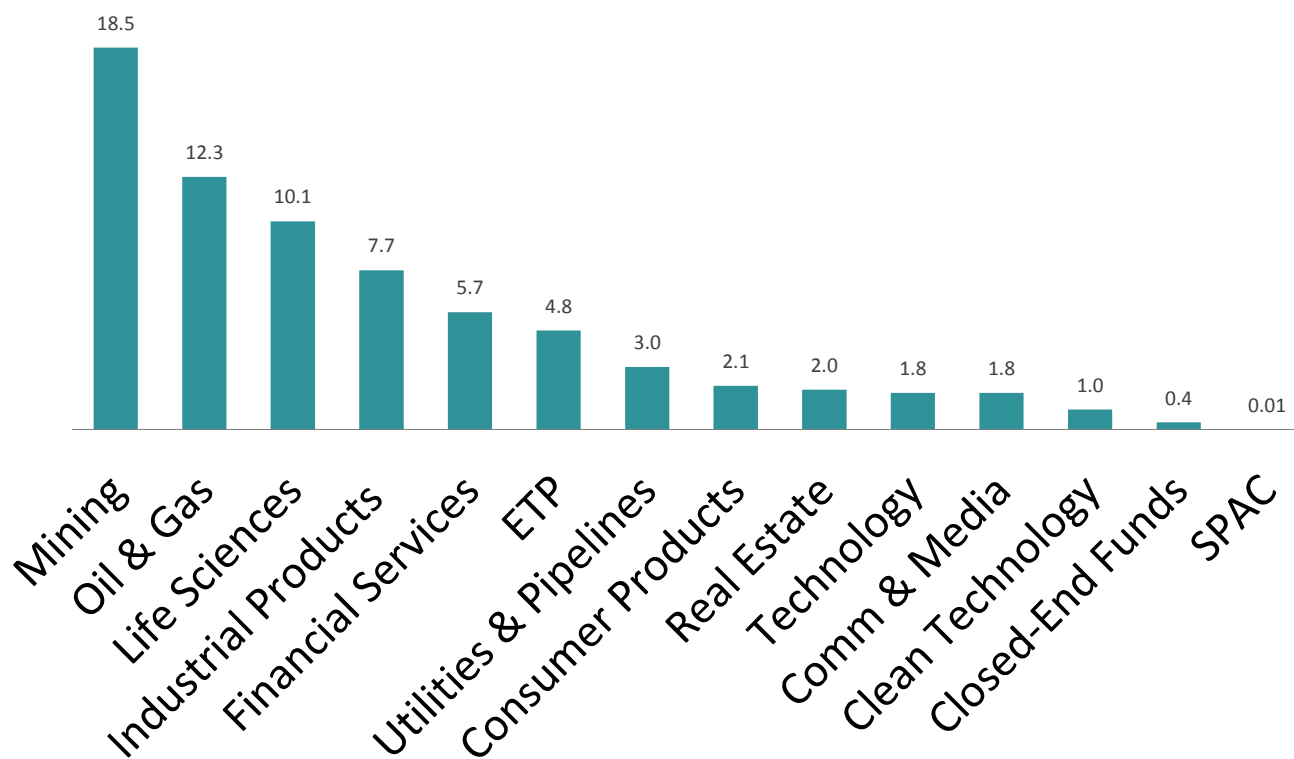
Sector	Toronto Stock Exchange (C\$ Millions)			
	<i>IPO</i>	<i>PO*</i>	<i>PP</i>	<i>Total</i>
Clean Technology & Renewable Energy	172.5	1,342.0	66.1	1,580.6
Closed-End Funds	308.1	587.2	-	895.3
Comm. & Media	-	377.5	55.1	432.6
Consumer Products & Services	241.7	895.3	207.0	1,344.0
CPC/SPAC				-
ETFs	302.4	2.3	-	304.7
Financial Services	-	5,730.1	14.4	5,744.5
Industrial Products & Services	178.2	2,381.7	-	2,559.9
Life Sciences	132.3	1,228.1	862.5	2,222.9
Mining	21.1	920.9	2,141.3	3,083.3
Oil & Gas	-	238.6	1,347.7	1,586.4
Real Estate	402.8	2,631.8	-	3,034.7
Technology	683.1	1,727.7	18.9	2,429.7
Utilities & Pipelines	239.3	800.0	-	1,039.3
TOTAL	2,681.5	18,863.2	4,713.0	26,257.7

*Includes supplementary & secondary offerings

Volume Traded YTD October 31, 2018 on TSXV by Sector (Billions of Shares)



Volume Traded YTD October 31, 2018 on TSX by Sector (Billions of Shares)



PROMOTIONAL EXPENSES

- June 28, 2018: TSX Venture Exchange provided guidance in respect of Policy 3.4 – Investor Relations, Promotional and Market-Making Activities (“Policy 3.4”) of the Exchange’s Corporate Finance Manual.
- Policy 3.4 defines the “promotional role” as communicating with investment dealers, advisers and Shareholders - both current and prospective - to increase awareness of and interest in an Issuer.
- The Exchange reminds Issuers that Policy 3.4 applies to all promotional, market-making or Investor Relations Activities, including when they are carried out through social media or otherwise online (including but not limited to chat rooms, spam email, artificial intelligence and targeted advertising campaigns).
- Each Issuer is responsible for the activities of, and is expected to supervise and monitor, all of its promotional, market-making and investor relations service providers (including their employees, contractors, sub-contractors and consultants) to ensure that their activities comply with Exchange Requirements and applicable corporate and securities laws.

Facilitating the Listing Process for Industrial, Technology and Life Sciences Issuers: Interpretative Guidance for “History of Operations/Validation of Business” Listing Requirement

- June 21, 2018: Updated our guidance with the intent of improving efficiencies in the listing process for Non-Resource Issuers under the Exchange’s existing policies and review framework applicable to the listing of Non-Resource Issuers.
- Ideally, this will help reduce the timeframe and certain of the costs.
- Added a 7th criteria. Now need to meet 3 of 7 vs 3 of 6 to demonstrate compliance.
- New criteria: Concurrent Arm’s Length Financing of at least \$2,000,000 via equity after dissemination of a comprehensive press release detailing the related transaction.

TSX WEBSITE DISCLOSURE

On May 26, 2016 TSX published a Request for Comments (followed by a second Request for Comments on April 6, 2017) and issued a Notice of Approval on October 19, 2017 regarding amendments to Part IV of the TSX Company Manual

- Section 473 was introduced that requires listed issuers to make constating documents, certain corporate policies and corporate governance documents available on their websites (ancillary amendments made to Section 461.2 and Part XI)
- Exemptions to above: Non-Corporate Issuers, Eligible Interlisted Issuers and Eligible International Interlisted Issuers are exempt from these requirements
- Part IV amendments to become effective April 1, 2018

TSX Updates

October 4, 2018:

- Notice of Approval: TSX amends its rules relating to SPACs.
- The purpose of the amendments were to update rules to reflect the evolution of the market in respect of SPAC's

February 1, 2018:

- TSX amended its Form 11: Notice of Proposed Private Placement to ensure that issuers are providing ALL pertinent information with respect to a proposed private placement.

For more information

ANDY CREECH

DIRECTOR, CAPITAL FORMATION

TSX VENTURE EXCHANGE

T +1 604 602-6936

E andrew.creech@tmx.com

CHRIS BIRKETT

DIRECTOR, LISTED ISSUER SERVICES

TORONTO STOCK EXCHANGE

T +1 604 643-6578

E chris.birkett@tmx.com



**LISTINGS
STATISTICS**

**RECEIVE THE
MONTHLY MIG
REPORT IN
YOUR INBOX**

**TSX.COM/MIG
@TSX_TSXV**

**SUBSCRIBE
AT
TSX.COM/MIG**

The document and the information contained therein are provided "as is" for information purposes only and are not intended to provide investment, financial or other advice, and should not be relied on for any trading, business, financial or other purposes. The information provided is not an invitation to purchase securities listed on Toronto Stock Exchange and/or TSX Venture Exchange. TMX Group Limited and its affiliated companies (collectively, "TMX") do not endorse or recommend any securities referenced in this document. Neither TMX Group Limited, nor any of its affiliated companies or entities, guarantees the completeness of the information contained in this document and we are not responsible for any errors or omissions in, or your use of, or reliance on, the information.

© 2018 TSX Inc. All rights reserved. Do not sell, reproduce or modify this document without TSX Inc.'s prior written consent. TMX, the TMX design, TMX Group, Toronto Stock Exchange, TSX, TSX Venture Exchange and TSXV are the trademarks of TSX Inc.

tmx.com



THE FUTURE
IS YOURS TO SEE.

tmx.com