



TREZ CAPITAL MORTGAGE INVESTMENT CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO

BE HELD ON JUNE 30, 2020

and

MANAGEMENT INFORMATION CIRCULAR

May 27, 2020

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF SHAREHOLDERSI

GLOSSARY OF TERMS 1

THE MEETING 3

HOW TO VOTE YOUR SHARES 3

QUORUM..... 5

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES 6

BUSINESS OF THE MEETING..... 6

1. FINANCIAL STATEMENTS 6

2. ELECTION OF DIRECTORS..... 6

3. RE-APPOINTMENT OF AUDITOR..... 8

MANAGEMENT OF THE CORPORATION 9

**INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED
UPON 12**

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS..... 12

AUDITOR..... 12

SHAREHOLDER PROPOSALS 12

CERTIFICATE..... 13

BY ORDER OF THE BOARD OF DIRECTORS..... 13

TREZ CAPITAL MORTGAGE INVESTMENT CORPORATION

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

All capitalized terms used herein but not otherwise defined have the meaning ascribed thereto in the accompanying management information circular of Trez Capital Mortgage Investment Corporation (the “**Corporation**”) dated May 27, 2020 (the “**Information Circular**”).

NOTICE IS HEREBY GIVEN that the annual meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of the Corporation will be held by conference call on June 30, 2020 at 1:00 p.m. (Toronto time) for the following purposes:

1. to receive and consider the financial statements of the Corporation for the year ended December 31, 2019 together with the auditor’s report to Shareholders thereon;
2. to elect the directors of the Corporation;
3. to re-appoint KPMG LLP, Chartered Professional Accountants, as the auditor of the Corporation until the next annual meeting of Shareholders and to authorize the directors of the Corporation to fix the auditor’s remuneration; and
4. to transact such other business as may be properly brought before the Meeting and any postponement(s) or adjournment(s) thereof.

Accompanying this notice is the Information Circular and form of proxy or voting instruction form. The Information Circular contains details of the matters to be considered at the Meeting. The above matters are deemed to include consideration of any permitted amendment to or variation of any matter identified in this notice and to transact such other business as may properly come before the Meeting or any adjournment thereof. Management is not aware of any other matters which are expected to come before the Meeting.

Only Shareholders of record at the close of business on May 26, 2020 are entitled to notice of and to attend and vote at the Meeting, or any adjournment thereof.

Consistent with the latest directives and orders of public health and governmental authorities regarding the COVID-19 coronavirus and in consideration of the health and safety of our Shareholders, colleagues and the broader community, this year’s Meeting will be held by way of conference call only **by dialing: Toll Free 1-(888)-390-0546 or (Vancouver: 778-383-7413; Toronto: 416-764-8688), entering conference ID #04008548.**

Shareholders and duly appointed proxyholders will be able to attend the Meeting by conference call and ask questions, but due to technical limitations, will not be able to vote during the Meeting. Registered and beneficial Shareholders are strongly encouraged to vote in advance of the Meeting by depositing proxies or submitting voting instruction forms no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

Please follow the instructions on the enclosed form of proxy or voting instruction form. If you plan to attend the Meeting as a proxyholder (or have another person vote your proxy or voting instruction form and attend the meeting on your behalf), please follow the instructions on the enclosed form of proxy or voting instruction form to appoint yourself (or such other person), instead of the management nominees, to vote and to attend the Meeting. Please see the Information Circular for additional information.

DATED at Toronto, Ontario as of May 27, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Alexander Manson”

Alexander Manson
President, Chief Executive Officer
and Director

**TREZ CAPITAL MORTGAGE INVESTMENT CORPORATION
MANAGEMENT INFORMATION CIRCULAR**

GLOSSARY OF TERMS

“**2-Yr GOC Yield**” means, at any time, the then current two-year Government of Canada bond yield;

“**Advance Notice By-Law**” has the meaning set forth under “*Business of the Meeting – Election of Directors*”;

“**Amending Agreement**” has the meaning set forth under “*Management of the Corporation – Amending Agreement*”;

“**Articles**” means the articles of incorporation of the Corporation, as amended from time to time;

“**Beneficial Shareholder**” means a shareholder of the Corporation who is not recorded in the Corporation’s shareholder registry and who holds their Shares through a securities dealer, broker, bank, trust corporation or other nominee;

“**Board**” means the board of directors of the Corporation;

“**Broadridge**” means Broadridge Financial Solutions Inc.;

“**CBCA**” means the *Canada Business Corporations Act*;

“**CDS**” means CDS Clearing and Depository Services Inc.;

“**Corporation**” means Trez Capital Mortgage Investment Corporation;

“**Early Termination Date**” has the meaning set forth under “*Management of the Corporation – Management Agreement*”;

“**Early Termination Fee**” has the meaning set forth under “*Management of the Corporation – Management Agreement*”;

“**Hurdle Rate**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**Incentive Fee**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**Information Circular**” means this management information circular dated May 27, 2020;

“**Management Agreement**” means the second amended and restated management agreement dated November 30, 2013 between the Corporation and the Manager;

“**Management Fee**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**Manager**” means Trez Capital Fund Management Limited Partnership in its capacity as the manager of the Corporation;

“**Minimum**” has the meaning set forth under *Management of the Corporation – Compensation of the Manager*”;

“**Meeting**” means the annual meeting of Shareholders of the Corporation to be held at 1:00 p.m. (Toronto time) on June 30, 2020 by conference call;

“**NCIB**” means the previously active normal course issuer bid for the Corporation’s Shares;

“**Net Return**” means, for a period, the interest income, commitment fees and any other income of the Corporation during such period, less the fees and expenses of the Corporation (other than the performance fee payable to the Manager) during such period;

“**NI 51-102**” means National Instrument 51-102 *Continuous Disclosure Obligations*;

“**Orderly Wind-Up Plan**” means the plan to maximize value for all Shareholders by way of an orderly wind-up of the Company’s assets and the return of capital to Shareholders which was approved at the shareholders meeting held on June 16, 2016;

“**Performance Fee**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**proxyholder**” means a person appointed by a Shareholder to attend the Meeting and vote such Shareholder’s Shares in accordance with their instructions;

“**Realized Proceeds**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**Record Date**” means May 26, 2020;

“**Registered Shareholder**” means a shareholder of the Corporation whose name is recorded in the Corporation’s shareholder registry and who holds one or more share certificates which indicate the name and the number of Shares owned by such shareholder;

“**Share**” means a Class A share of the Corporation;

“**Shareholder**” means a holder of Shares of the Corporation;

“**Shareholder Capital**” means the aggregate issue price of all outstanding Shares, proportionately reduced for each Share cancelled;

“**Termination for Cause**” has the meaning set forth under “*Management of the Corporation – Management Agreement*”;

“**Threshold**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”;

“**Transfer Agent**” means Computershare Trust Company of Canada;

“**TSX**” means the Toronto Stock Exchange; and

“**Unrestricted Cash**” has the meaning set forth under “*Management of the Corporation – Compensation of the Manager*”.

THE MEETING

This Information Circular is furnished in connection with the solicitation of proxies by Trez Capital Mortgage Investment Corporation (the “Corporation”) for use at the annual meeting (the “Meeting”) of shareholders (“Shareholders”) of the Corporation to be held by conference call on June 30, 2020 at 1:00 p.m. (Toronto time).

Consistent with the latest directives and orders of public health and governmental authorities regarding the COVID-19 coronavirus and in consideration of the health and safety of our Shareholders, colleagues and the broader community, this year’s Meeting will be held by way of conference call only **by dialing: Toll Free 1-(888)-390-0546 or (Vancouver:778-383-7413; Toronto 416-764-8688), entering conference ID #04008548. Shareholders and duly appointed proxyholders will be able to attend the Meeting by conference call and ask questions, but due to technical limitations, will not be able to vote during the Meeting.**

Registered and beneficial Shareholders are strongly encouraged to vote in advance of the Meeting by depositing proxies or submitting voting instruction forms no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

References in this Information Circular to the Meeting include any adjournment or adjournments thereof. It is expected that the solicitation will be primarily by mail. However, proxies also may be solicited personally by directors, officers or employees of the Corporation. The solicitation of proxies is made by the Corporation and the cost of solicitation will be borne by the Corporation. The Corporation also may utilize the service offered by Broadridge called Quickvote, which will allow voting Shareholders to provide their vote over the phone to an authorized representative.

In this Information Circular, unless the context otherwise suggests, references to “you”, “your” and “Shareholder” are to a holder of Shares. Unless otherwise stated, the information contained in this Information Circular is as of April 30, 2020.

HOW TO VOTE YOUR SHARES

Your vote is important. Please read the information below, then vote your Shares, by depositing a proxy or voting instruction form as described more fully below.

How you vote your Shares depends on whether you are a Registered Shareholder or a Beneficial Shareholder. As of the Record Date, CDS is the only Registered Shareholder. Accordingly, all Shareholders other than CDS are Beneficial Shareholders.

Beneficial Shareholders

The Corporation has distributed copies of this Information Circular and related materials to intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to deliver these materials to all Beneficial Shareholders of the Corporation who have not waived their rights to receive these materials and to seek instructions as to how to vote their Shares. Often, intermediaries will use a service corporation (such as Broadridge) to forward materials to security holders.

Beneficial Shareholders who receive these materials will typically be given the ability to provide voting instructions in one of two ways:

- (a) Usually, a Beneficial Shareholder will be given a voting instruction form which must be completed and signed by the Beneficial Shareholder in accordance with the instructions provided by the intermediary. In this case, the mechanisms described below for Registered Shareholders cannot be used and the instructions provided by the intermediary must be followed.
- (b) Occasionally, a Beneficial Shareholder may be given a proxy that has already been signed by the intermediary, rather than a voting instruction form. This proxy is restricted to the number

of Shares owned by the Beneficial Shareholder but is otherwise not completed. This proxy does not need to be signed by the Beneficial Shareholder but must be completed by the Beneficial Shareholder and returned to the Transfer Agent in the manner described below for Registered Shareholders. A proxy will not be valid unless it is deposited at the Proxy Department of the Transfer Agent, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

The purpose of these procedures is to allow Beneficial Shareholders to direct the voting of the Shares that they own but that are not registered in their name. Should a Beneficial Shareholder who receives either a form of proxy or a voting instruction form wish to attend the Meeting as a proxyholder (or have another person vote their proxy or voting instruction form and attend the Meeting on their behalf), the Beneficial Shareholder should strike out the names noted in the proxy as the proxyholder and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions provided by the intermediary. **In either case, Beneficial Shareholders who receive materials from their intermediary should carefully follow the instructions provided by the intermediary.**

To exercise the right to revoke a proxy (or a voting instruction form, as applicable), a Beneficial Shareholder who has completed a proxy (or a voting instruction form, as applicable) should carefully follow the instructions provided by the intermediary.

Registered Shareholder

Appointment of Proxies

If you choose to vote by proxy, you are giving the person (referred to as a “**proxyholder**”) or the persons named on your form of proxy the authority to vote your Shares on your behalf at the Meeting (including any adjournments or postponements of the Meeting). You may indicate on the form of the proxy how you want your proxyholder to vote your Shares, or you can let your proxyholder make that decision for you. If you do not specify on the form of proxy how you want your Shares to be voted, your proxyholder will have the discretion to vote your Shares as such proxyholder sees fit.

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Registered Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him, her or it at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the Proxy Department of the Transfer Agent, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).**

A Registered Shareholder may indicate the manner in which the proxyholder is to vote with respect to any specific item by checking the appropriate space. **The persons named in the enclosed form of proxy will vote the Shares in respect of which they are appointed in accordance with the direction of the Registered Shareholder appointing them. In the absence of such direction, such Shares will be voted in favour of each item of business described in the attached Notice of Annual Meeting of Shareholders. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this Information Circular, the Corporation knows of no such amendments, variations or other matters to come before the Meeting. **However, if any other matters that are not now known to the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxyholders.**

Submitting Votes by Proxy

A proxy will not be valid unless it is deposited at the Proxy Department of the Transfer Agent, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 1:00 p.m., Toronto time, on June 26, 2020 (or

prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion. However, the Chair is under no obligation to accept or reject any particular late proxy. The Chair may waive this time limit for receipt of proxies without notice.

Revocation of Proxy

In addition to revocation in any other manner permitted by law, a proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's attorney authorized in writing (or, if the Registered Shareholder is a corporation, by a duly authorized officer or attorney) and deposited at the Proxy Department of the Transfer Agent, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

Only Registered Shareholders may revoke a proxy. Beneficial Shareholders will need to contact their intermediary and follow their instructions to revoke their proxy. You may also submit a later dated proxy to revoke any prior proxy.

QUORUM

The Board has fixed May 26, 2020 as the Record Date, being the date for the determination of the registered holders of Shares entitled to receive notice of, and to vote at, the Meeting. In accordance with the provisions of the CBCA, the Corporation will prepare a list of holders of Shares as of the close of business on the Record Date. Each holder of Shares named in the list will be entitled to vote the Shares shown opposite his or her name on the list at the Meeting. All such holders of record of Shares are entitled to attend the Meeting by conference call and vote the Shares held by them by depositing a completed and executed proxy with the Transfer Agent within the time specified in the attached Notice of Annual Meeting of Shareholders, to attend and vote thereat by proxy the Shares held by them in accordance with the voting rights described herein. Please see "*How to Vote Your Shares*" for more information.

A quorum will be considered present at the Meeting if 5% of the outstanding Shares are represented in person or by proxy at the Meeting. If such a quorum does not exist when the Meeting is convened on June 30, 2020, the Meeting will be adjourned and will reconvene at 1:00 p.m. (Toronto time) on July 7, 2020 by conference call by dialing: Toll Free 1-(888)-390-0546 or (Vancouver: 778-383-7413; Toronto: 416-764-8688), entering conference ID #04008548, at which time the Shares represented in person or by proxy at the reconvened Meeting will constitute a quorum.

Duly completed and executed proxies must be received by the Transfer Agent's Proxy Department at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, no later than 1:00 p.m., Toronto time, on June 26, 2020 (or prior to 1:00 p.m., Toronto time, on the business day prior to the Meeting if it is postponed or adjourned).

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Authorized and Outstanding Voting Securities

The authorized capital of the Corporation consists of an unlimited number of Shares and an unlimited number of Class B Shares. As of the Record Date, there were 11,649,711 Shares and no Class B Shares issued and outstanding. Each Share will be entitled to one vote at the Meeting.

Principal Holders

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, 10% or more of the outstanding Shares of the Corporation except as follows:

Name	Number of Shares Beneficially Owned, Controlled or Directed	Percentage of Outstanding Shares
Earlston Investments Corp.	1,987,600 ⁽¹⁾	17.1%
FrontFour Capital Corp. and its affiliate, FrontFour Capital Group LLC., on behalf of certain investment funds and portfolios managed by them ⁽²⁾	1,321,020	11.3%

Notes:

- (1) As set out in an early warning report of Earlston Investments Corp. dated August 22, 2018, which is available on SEDAR at www.sedar.com.
- (2) Mr. Zachary George, a director of the Corporation, is a principal and portfolio manager of FrontFour Capital Corp. and FrontFour Capital Group LLC.

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the fiscal year ended December 31, 2019 and the report of the auditor thereon will be placed before the Meeting. No vote by Shareholders is required.

2. ELECTION OF DIRECTORS

The Articles provide that the Corporation will have a minimum of three and maximum of eleven directors. The Corporation currently has four directors, three of whom are independent (within the meaning of applicable securities laws). Mr. Stephen Pustil will not be standing for re-election as a director at the Meeting. Given the current stage of the wind-up of the Corporation, the Board considers that a Board comprised of three directors is the appropriate size, and has not proposed a new candidate for election to the Board in his stead.

The following table sets forth the names of the persons nominated by the Board for election as directors, their respective positions and offices currently held with the Corporation, their respective principal occupation or employment, the year each nominee became a director of the Corporation, and the approximate number of Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by each of them at the date of this Information Circular.

Name and Municipality of Residence	Office	Principal Occupation	Director Since	Shares Beneficially Owned or Controlled
Alexander (Sandy) Manson, West Vancouver, British Columbia	President, Chief Executive Officer and Director	Chief Financial Officer of Trez Capital Fund Management (2011) Corporation since July 1, 2012 and Chief Financial Officer of Trez Capital (2011) Corporation (previously Trez Capital Corporation) since February 2006	April 2012	Nil
Zachary George, ⁽¹⁾⁽³⁾ Greenwich, Connecticut	Director	Co-founder and Portfolio Manager of FrontFour Capital	May 2016	1,321,020 ⁽²⁾
Gary M. Samuel, ⁽¹⁾⁽³⁾ Toronto, Ontario	Director and Chair	Chief Executive Officer-Rodenbury Investments Ltd. President, Perek Bet Inc.	August 2014	2,021 ⁽⁴⁾

Notes:

- (1) Independent director.
- (2) 1,288,582 Shares are beneficially owned by FrontFour Master Fund, Ltd., which is managed by FrontFour Capital Group LLC, of which Mr. George is a principal and portfolio manager. 32,438 Shares are beneficially owned by FrontFour Opportunity Fund, which is managed by FrontFour Capital Corp., which is an affiliate of FrontFour Capital Group LLC.
- (3) Member of the Audit Committee.
- (4) Includes 853 Shares beneficially owned by family members of Mr. Samuel.

The Board has adopted a majority voting policy that requires that any nominee for director who receives a greater number of votes “withheld” than votes “for” his or her election as a director to submit his or her resignation to the Board for consideration promptly following the meeting. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Board will consider the resignation and determine whether to accept it within 90 days after the applicable meeting and a news release will be issued by the Corporation announcing the Board’s determination. A director who tenders his or her resignation will not participate in any meetings of the Board to consider whether the resignation will be accepted. Shareholders should note that, as a result of this majority voting policy, a “withhold” vote is effectively the same as a vote against a director nominee in an uncontested election.

Each director elected by the Shareholders will hold office until the next annual meeting of Shareholders, or until his successor is duly elected or appointed, unless: (i) his office is earlier vacated in accordance with our Articles and by-laws; or (ii) he becomes disqualified to act as a director. All of the nominees are currently directors of the Corporation.

The following are biographies of each nominee as a director of the Corporation:

Alexander (Sandy) Manson has been the Chief Financial Officer of Trez since February 2006. On September 28, 2016 he was also appointed President and Chief Executive Officer following the resignation of Michael J.R. Nisker. Mr. Manson has been a Chartered Accountant since 1983 and has more than thirty years of experience in finance and accounting. From January 2001 through December 2005, Mr. Manson was the Chief Financial Officer for Autostock International, an international autoglass replacement company with 2,000 employees based in Burnaby B.C. which operated the “Speedy Glass” stores in Canada and the United States. Prior thereto, he was the Chief Financial Officer of Coast Mountain Hardwoods (1997-2000), a lumber company based in Ladner, B.C. Mr. Manson is responsible for all finance and administrative operations of Trez.

Zachary George is a co-founder and portfolio manager of FrontFour Capital, a value oriented, investment firm. Mr. George has worked in a management capacity and with numerous corporate boards to turnaround operations, effect corporate action, and implement governance policies in order to maximize shareholder value. He recently served as the Chairman of the boards of the former FAM REIT (now Slate Office REIT) and Huntingdon Capital Corp. and previously served as the lead independent director of both Cornell Companies Inc. and PW Eagle, and on the boards of Allied Defense Group, and IAT Air Cargo Facilities Income Fund.

Gary M. Samuel founded and was the former Chief Executive Officer of Canadian Real Estate Investment Trust, Canada's first publicly traded REIT. Mr. Samuel formerly served as Chairman of HOMEQ Corporation and its wholly owned subsidiary HomEquity Bank. He was also formerly a director of First Capital Realty Corporation and lead director of Gazit America Inc., both real estate companies and formerly a trustee of Slate Office REIT. Mr. Samuel is a co-founder and retired partner of Crown Realty Partners, a Canadian institutional real estate investment and management corporation. Mr. Samuel was co-founder and Chief Executive Officer of Royop Properties Corporation, a Canadian real estate development company formerly listed on the TSX. Mr. Samuel holds a JD from Osgoode Hall Law School, Toronto.

At the annual and special meeting of Shareholders held on June 16, 2016, Shareholders approved, confirmed and ratified the adoption by the directors of by-law number 2 (A by-law relating to the nomination of persons for election to the board of directors of the Corporation) (the "**Advance Notice By-Law**"), as an addition to the Corporation's by-laws. The Advance Notice By-Law requires a nominating Shareholder to provide notice to the Corporation of proposed director nominations (other than pursuant to a "proposal" or a requisition of Shareholders made in accordance with the provisions of the CBCA) not less than 30 days prior to the date of the applicable annual meeting. This advance notice period is intended to give the Corporation and its Shareholders sufficient time to consider any proposed nominees.

Unless provided to the contrary, the persons named in the accompanying form of proxy (if it is duly executed in their favour and deposited) will vote the Shares represented thereby FOR the election of the nominees named above as directors of the Corporation. In case any of the following nominees should become unavailable for election for any reason, unless provided to the contrary, the persons named in the accompanying form of proxy will vote the Shares represented thereby in favour of electing the remaining nominees and such other substitute nominees as a majority of the directors of the Corporation may designate in such event.

3. RE-APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to approve a resolution to re-appoint KPMG LLP, Chartered Professional Accountants, as the auditor of the Corporation to hold office until the next annual meeting of Shareholders and to authorize the directors to fix the auditor's remuneration. KPMG LLP, Chartered Professional Accountants, has acted as the Corporation's auditor since its appointment on March 26, 2012. The ordinary resolution must be passed by at least the majority of the votes cast at the Meeting by all Shareholders who vote in respect thereof in person or by proxy. **The Board recommends that Shareholders vote in favour of the re-appointment of KPMG LLP, Chartered Professional Accountants, as the auditor of the Corporation.**

Unless provided to the contrary, the persons named in the accompanying form of proxy (if it is duly executed in their favour and deposited) will vote the Shares represented thereby FOR the re-appointment of KPMG LLP, Chartered Professional Accountants, as auditor of the Corporation until the next annual meeting of Shareholders and to authorize the directors to fix the auditor's remuneration.

MANAGEMENT OF THE CORPORATION

The following description of the Management Agreement and the Amending Agreement is qualified in its entirety by the Management Agreement and the Amending Agreement, both of which are available on SEDAR at www.sedar.com.

The Corporation has retained the Manager to manage the day-to-day affairs of the Corporation. The head office of the Manager is located at 1700-745 Thurlow Street, Vancouver, British Columbia V6E 0C5. The Manager is wholly-owned by Trez Capital Group Limited Partnership. Trez Capital Fund Management (2011) Corporation, the general partner of the Manager, is a wholly-owned subsidiary of the general partner of Trez Capital Group Limited Partnership.

Manager

The Manager is the sole and exclusive manager of the Corporation to direct the business, operations and affairs of, and provide, or arrange to provide, all day-to-day management and administrative services required by, the Corporation. Pursuant to the Management Agreement, the Manager's duties include, without limitation: (i) through its affiliate, Trez Capital Limited Partnership, providing mortgage lending opportunities to the Corporation consistent with the lending guidelines set out in the Management Agreement with the goal of achieving the Corporation's investment objective; (ii) managing the lending and relending of the assets of the Corporation in accordance with the lending guidelines set out in the Management Agreement; (iii) authorizing the payment of operating expenses incurred on behalf of the Corporation; (iv) preparing financial statements and financial and accounting information as required by the Corporation; (v) ensuring that Shareholders are provided with financial statements (including quarterly and annual financial statements) and other reports as are required by applicable law from time to time; (vi) ensuring that the Corporation complies with regulatory requirements; (vii) preparing the Corporation's reports to Shareholders and the Canadian securities regulatory authorities; (viii) recommending to the Board the amount of dividends to be paid by the Corporation; and (ix) negotiating contractual agreements with third-party providers of services, including registrars, transfer agents, auditors and printers. Notwithstanding the foregoing, pursuant to the Amending Agreement, the Manager, acting in its capacity as manager of the Corporation, provides the day-to-day management services set out above in a manner consistent with the Orderly Wind-Up Plan, under the supervision of the Investment & Capital Management Committee and the Board. Upon completion of its mandate, the Investment & Capital Management Committee ceased to exist in June of 2018.

Management Agreement

Pursuant to the Management Agreement, the Manager is required to exercise its powers and discharge its duties diligently, honestly and in good faith and, in connection therewith, to exercise the standard of care that a reasonably prudent person would exercise in the circumstances. The Management Agreement provides that the Manager will indemnify the Corporation for any losses incurred as a result of the wilful misconduct, bad faith or negligence of the Manager or the Manager's breach of its standard of care under the Management Agreement or a material breach or default of the Manager's obligations under the Management Agreement.

The term of the Management Agreement is for a period of 10 years ending on November 30, 2023, and will automatically renew for successive 5 year terms thereafter, unless terminated by the Corporation upon approval of a two-thirds majority of the votes cast by the independent directors of the Corporation (a) at the conclusion of the initial term or any renewal term, upon not less than 12 months' prior written notice to the Manager, (b) at any time, in the event that there is (i) a material breach of the Management Agreement by the Manager that is not remedied within 60 days of written notice to the Manager (or such longer period as may be reasonably required to remedy such breach, provided such longer period does not exceed 120 days), and that has a material adverse effect on the business, operations or affairs of the Corporation, (ii) the Manager commits any act of bad faith, wilful malfeasance, gross negligence or reckless disregard of its duties or breach of its standard of care; or (iii) any bankruptcy, insolvency or liquidation proceedings are taken against the Manager or if the Manager makes an assignment for the benefit of its creditors, commits any act of bankruptcy or declares itself or is declared to be insolvent (each of (i), (ii) and (iii), a "**Termination for Cause**"); or (c) upon the date (the "**Early Termination Date**") specified in a written notice to the Manager, such notice to be delivered at any time after November 30,

2017 and such Early Termination Date being not less than 12 months following the date of such written notice, and upon payment of an amount equal to three times the total amount of management fees and performance fees earned by the Manager in the previous twelve months (the “**Early Termination Fee**”). The Management Agreement also provides for a reduction to the Early Termination Fee in certain circumstances.

Notwithstanding the foregoing, pursuant to the Amending Agreement, upon completion of the Orderly Wind-Up Plan, the Management Agreement shall terminate and the Manager shall not be entitled to any termination fee including, for greater certainty, the Early Termination Fee described above.

Amending Agreement

On May 6, 2016, the Company entered into an amending agreement with the Manager to amend the terms of the Management Agreement (the “**Amending Agreement**”) in order to facilitate the Orderly Wind-Up Plan. Under the Amending Agreement, the Manager is currently providing the full asset management services necessary to support the Orderly Wind-Up Plan. The Amending Agreement also provides for an amendment to the fees payable to the Manager to align the Manager’s interest to the implementation of the Orderly Wind-up Plan, as described under “Compensation of the Manager” below.

In accordance with the Amending Agreement, the Board irrevocably and unconditionally directed the Manager to cease all new mortgage origination and, unless approved by the Investment & Capital Management Committee and subject to compliance with contractual requirements, all mortgage renewal activity. Furthermore, the mandate of the Investment & Capital Management Committee was expanded to include the management and oversight of the Orderly Wind-Up Plan including, without limitation, all matters relating to the sales of loans (such as price, timing of sale, purchaser, etc.), loan consents and renewals and matters related to the return of capital to Shareholders, including consideration of a substantial issuer bid and consideration of the maintenance of the current level of distributions, with the input of the Manager, acting in its capacity as manager of the Company, and subject to the approval of the Board as required. The Company has ceased all new mortgage originations and mortgage renewals, subject to contractual requirements.

The Amending Agreement provides that the Orderly Wind-Up Plan shall be implemented through a combination of the following actions: (i) allowing the mortgages in the Company’s portfolio to expire at their scheduled maturities and in accordance with the terms thereof; (ii) selling mortgages in the Company’s portfolio at par prior to their scheduled maturities; and (iii) in addition to or in lieu of the foregoing, by effecting other transactions, as determined by the Investment & Capital Management Committee, in its discretion, acting in a fiduciary capacity consistent with its obligations to maximize value to all Shareholders.

The Amending Agreement provides that the Company shall distribute the net proceeds resulting from the Orderly Wind-Up Plan to Shareholders in a manner determined by the Investment & Capital Management Committee from time to time, acting reasonably and in the best interest of all Shareholders, and approved, as may be required, by the Board from time to time, whether through special dividends, the repurchase of shares pursuant to the NCIB, a substantial issuer bid, a return of capital or otherwise. Upon completion of its mandate, the Investment & Capital Management Committee ceased to exist in June of 2018.

Compensation of the Manager

For its services under the Management Agreement, the Manager receives from the Corporation a management fee (the “**Management Fee**”) equal to 1.25% per annum of the gross assets of the Corporation, calculated and paid monthly in arrears, plus applicable taxes. Under the terms of the Amending Agreement, the foregoing Management Fee shall continue until the earlier of the completion of the Orderly Wind-Up Plan and the termination of the Management Agreement. As a result of the monetization of all remaining mortgages, The Manager has waived the management fee since May 1, 2019. No management fee has been, or will be, payable to the Manager in respect of any period after May 1, 2019.

Under the Management Agreement, the Manager is also entitled to a performance fee (the “**Performance Fee**”) each calendar year equal to 20% of the amount by which the Net Return for that year exceeds the product of (i) the average month-end Shareholder Capital during such year, and (ii) the average of the 2-Yr GOC Yield on the last day of each calendar month during the year plus 450 basis points (the “**Hurdle Rate**”) and prorated for any partial

years. Under the Amending Agreement, no Performance Fee has been or will be payable to the Manager in respect of any period after April 30, 2016.

Pursuant to the Amending Agreement, in consideration for its additional services to the Company in connection with the Orderly Wind-Up Plan, the Manager is entitled to a fee (the “**Incentive Fee**”) calculated as the greater of the following:

- (i) 20% of the amount by which the sum of:
 - (A) the aggregate Realized Proceeds; and
 - (B) the Company’s Unrestricted Cash as at April 30, 2016 (\$4,885,544) exceeds \$163,509,009 (the “**Threshold**”); and
- (ii) \$1,000,000.

For the purpose of the foregoing calculation: (i) “**Realized Proceeds**” means the amount of proceeds on the sale, repayment or maturity of mortgages or any other transaction resulting in the monetization of the mortgages as approved by the Board in accordance with the terms of the Amending Agreement, in each case, realized by the Company in respect of the principal of the mortgages under the Orderly Wind-Up Plan; and (ii) “**Unrestricted Cash**” means the amount of Company’s cash derived from the proceeds on the sale, repayment or maturity of mortgages or any other transaction resulting in the monetization of the mortgages on or prior to April 30, 2016.

Concurrent with any distributions made to Shareholders by the Company, whether through dividends, the repurchase of shares pursuant to the NCIB or a substantial issuer bid, a return of capital or otherwise, the Company shall pay to the Manager a portion of the minimum Incentive Fee (i.e., \$1,000,000) (the “**Minimum**”), calculated so that after the payment, the Manager shall have been paid in aggregate the same proportion of the Minimum that the aggregate of the Realized Proceeds and the Unrestricted Cash represent of the Threshold at the time of each such distribution to Shareholders until such time as the Manager has received at least the Minimum. Upon the completion of the Orderly Wind-Up Plan and concurrent with the final distribution to Shareholders, any Incentive Fee due in excess of the Minimum and any portion of the Minimum that has not been paid, shall be paid by the Company to the Manager.

The Manager also is entitled to be reimbursed for all expenses incurred by the Manager on behalf of the Corporation. In addition, the Manager and each of its directors, officers, employees and partners are not liable to the Corporation for any default, failure or defect in the Corporation’s portfolio or for any act or omission within the scope of the Manager’s authority, except those resulting from the Manager’s wilful misconduct, bad faith, negligence, breach of the Manager’s standard of care or material breach or default by the Manager of its obligations under the Management Agreement.

The management services provided by the Manager under the Management Agreement are not exclusive to the Corporation and nothing in the Management Agreement prevents the Manager from providing similar management services to other persons or from engaging in other activities provided that the Manager acts, at all times, in accordance with its standard of care and thereby allocates mortgage lending opportunities to the Corporation and to its other clients on a fair and equitable basis.

Fees Paid to the Manager

The Corporation incurred Management Fees in the amount of \$34,727 and Incentive Fees in the amount of \$376,660 in respect of the year ended December 31, 2019.

Directors and Executive Officers of the General Partner of the Manager

The name, municipality of residence and office of each of the directors and executive officers of the general partner of the Manager are set out below:

Name and Municipality of Principal Residence	Position with the Manager
Alexander (Sandy) Manson, B. Comm., C.A. West Vancouver, B.C.	Chief Financial Officer and Director
Morley Greene, B.A., LLB Vancouver, B.C.	Chairman, Chief Executive Officer and Director
Robert Perkins, B. Comm. Vancouver, B.C.	Managing Director and Director
Ken Lai, B. Comm., C.A. Richmond, B.C.	Vice President, Loan Administration and Director

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as described herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as described herein, no Informed Person (as such term is defined in NI 51-102) of the Corporation, nor any associate or affiliate of an Informed Person of the Corporation, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

AUDITOR

KPMG LLP, Chartered Professional Accountants, is the auditor of the Corporation, which firm was first appointed as auditor on March 26, 2012.

SHAREHOLDER PROPOSALS

To be eligible for inclusion in the Corporation's management information circular for the 2021 annual shareholder's meeting, shareholder proposals prepared in accordance with applicable requirements governing shareholder proposals must be received at the Corporation's office at 1700-745 Thurlow Street, Vancouver, British Columbia, Canada V6E 0C5, Attention: Mr. Ernie Nichiporik, Vice-President, Investor Services of the Manager on or before February 27, 2021.

CERTIFICATE

The contents of this Information Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board.

DATED at Toronto, Ontario as of May 27, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Alexander Manson”

Alexander Manson
President, Chief Executive Officer
and Director