



EQUITIES TRADING NOTICE

TSX Alpha Exchange - Changes to Minimum Posting Sizes

Since implementing the innovative TSX Alpha Exchange trading model almost two years ago, TSX Alpha has been successful in delivering on its value proposition of increased size and reduced explicit trading costs for natural active order flow.

This success is reflected by TSX Alpha's leading position amongst other 'inverted fee' markets in terms of volume traded, as well as size traded and displayed at the quote. For example, over the month of June, TSX Alpha hit market share highs of over 7% of continuous traded volume on a number of days, contributing to a 6.7% share for the entire month.¹ TSX Alpha also had the highest average displayed volume at the NBBO and highest average trade size amongst inverted markets during June for S&P/TSX Composite stock and TSX-listed ETFs.²

In order to continue enhancing the success of TSX Alpha for its users, we are pleased to announce changes to minimum posting sizes for Post Only orders that are intended to help increase breadth of symbol coverage and improve fill rates for natural active flow, while ensuring continued alignment with observed IOC order sizes seeking to interact with posted orders.

The changes to minimum posting sizes will take effect as of September 1, 2017.

Revised Minimum Posting Sizes for Post Only Orders

The following table provides a guideline for the determination of the revised minimum posting size requirement for each symbol eligible to trade on TSX Alpha Exchange.

¹ Market share of TSX and TSXV-listed securities, measured based on traded volume during standard continuous trading hours, excluding intentional crosses and odd lots.

² Average displayed volume at the NBBO based on the time-weighted average size at the NBBO during standard continuous trading hours. Average trade size based on trading during standard continuous trading hours excluding odd lots and block crosses. Other inverted markets include Nasdaq CX2, Omega ATS, CSE, and Aequitas NEO-N.

The revised minimum posting size for a symbol is generally based on its recent historical trading price.

COMPARISON OF REVISED MINIMUM POSTING SIZES TO CURRENT MODEL
(sizes in # shares)

| Security price | Revised Minimum Posting Sizes | Comparison to Current Model | | TSX Alpha - Distribution of traded volume (Q2 2017) | |
|-------------------|-------------------------------|-----------------------------|-------------|---|----------|
| | | 'Regular' | 'Size Plus' | All | Over \$1 |
| Under \$0.10 | 20,000 | 20,000 | | 5.9% | |
| \$0.10 - \$0.49 | 15,000 | 10,000 | | 4.3% | |
| \$0.50 - \$0.99 | 7,000 | 10,000 | | 5.1% | |
| \$1.00 - \$2.49 | 5,000 | 3,000 | 5,000 | 11.7% | 13.8% |
| \$2.50 - \$4.99 | 3,000 | 3,000 | 5,000 | 17.2% | 20.3% |
| \$5.00 - \$7.49 | 2,000 | 1,500 | 3,500 | 8.4% | 9.9% |
| \$7.50 - \$9.99 | 1,500 | 1,500 | 3,500 | 5.3% | 6.2% |
| \$10.00 - \$17.49 | 1,000 | 700 | 1,000 | 15.9% | 18.7% |
| \$17.50 - \$24.99 | 600 | 700 | 1,000 | 9.6% | 11.3% |
| \$25.00 - \$49.99 | 500 | 500 | | 9.7% | 11.4% |
| \$50.00 - \$74.99 | 400 | 500 | | 4.4% | 5.1% |
| \$75.00 - \$99.99 | 300 | 500 | | 1.9% | 2.2% |
| \$100.00+ | 200 | 500 | | 0.8% | 0.9% |

We are also eliminating the 'Size Plus' category given that it typically applied only to a limited subset of symbols,³ and the increased minimum sizes were taken into consideration when setting the new rates.

There are no changes to the processes for the monthly updating of minimum posting sizes, or for communicating these to participants. Minimum posting sizes will continue to be available daily through the beginning of day symbol status messages distributed through various Alpha Market Data Feed products, and in CSV format through the following link: <http://www.tsx.com/resource/en/1177/alpha-minimum-posting-size.csv>

For additional information regarding TSX Alpha Exchange and the minimum posting sizes, please contact the [Account Management Team](#).

Jeff Foster (416) 947-4229
 Matthew Lee (416) 947-4665
 Graham Mackenzie (416) 947-4534
 Michael Tintinaglia (416) 947-6679

³ For example, during the month of June 2017, only 26 symbols qualified for higher minimum posting sizes as 'Size Plus' securities.