

TORONTO STOCK EXCHANGE AND TSX VENTURE EXCHANGE

A GROWTH PLATFORM for U.S. Companies

A sophisticated, diversified marketplace that connects companies of all sizes and sectors to the growth capital they need.

A two-tiered capital formation ecosystem offering traditional and non-traditional financing and liquidity solutions.

TMX THE FUTURE IS YOURS TO SEE.®

us.tsx.com

Benefits of Going Public

Access To Capital And Future Financing Opportunities

Going public can provide your company with financing opportunities to grow your business via expansion of operations, hiring or acquisitions. The issuance of public shares can also expand and diversify your investor base by giving you access to pools of capital in Canada, the U.S. and globally.

Facilitate Growth

As a public company, your shares can be used as a currency substitute to acquire target companies, instead of a direct cash offering. Using shares for an acquisition can be a tax-efficient and cost-effective vehicle to finance such a transaction. This can also improve your ability to complete mergers and acquisitions in a more timely and cost-effective manner.

Increase Visibility And Prestige

Going public enhances your company's visibility. Greater public awareness gained through media coverage, publicly filed documents and coverage of your shares by sector investment analysts can provide your company with a higher profile and greater credibility. Ultimately, this can result in a more diversified group of investors following your company, which may increase demand for your company's shares and potentially increase your company's value.

Provide Liquidity For Shareholders

Becoming a public company establishes a market for your company's shares, providing your investors with an efficient and regulated vehicle in which to trade their shares. Greater liquidity in the public market can often lead to better valuation than would be achieved as a private company.

Create Employee Incentive Mechanisms

Your employees can participate in the ownership of your company and benefit from being shareholders. Stock options and employee share purchase programs are good mechanisms for compensating your employees without depleting cash reserves. This can serve to ensure stronger employee commitment to your company's performance and success. Share ownership can have an immediate and tangible value to employees, and can be used as a recruitment incentive.

As a U.S. company, if you are looking to access capital to fuel your company's growth, consider this:

Reason

Does your company have a reason to be public and take advantages of the benefits of being a public company?

Ready

Are you and the company ready to go and be public?

Do you have the required team and infrastructure in place?

Requirements

Does your company meet the TSX or TSXV listing requirements?

See our Guide to Listing to find out:

→ tsx.com/ebooks/en/2023-guide-to-listing

Reality

Can Canadian investment bankers get investor support for your type and size of company in current market conditions?

Benefits of the Canadian Markets

Why are TSX and TSX Venture relevant to U.S. growth companies? Companies creating their long-term funding strategy should consider all options including traditional venture capital, private equity, crowdfunding, ICOs... and the public markets. TSX and TSXV are each platforms that may be the most viable and attractive path for your company.

Canada Embraces Small Cap Public Companies

- Go public at an earlier stage than in the U.S. markets and access “public venture capital”.

- TSX Venture Exchange is a fully regulated junior market with listing and reporting standards that are tailored to early stage companies.
- TSX Venture Exchange is rules-based versus a disclosure-based (OTC) regime, which may provide comfort to investors.
- The timing and costs of listing on TSX and TSXV are typically significantly lower than listing on a U.S. national exchange.
- Be a larger company in a smaller market than the U.S. which can lead to greater analyst coverage, institutional investor interest, and overall exposure.
- TSX and TSXV provide several listing options that are ideal for small cap companies, from the traditional IPO to a reverse merger into an existing shell or a capital pool company (CPC).
- TSX Venture is an incubation platform with the opportunity to graduate to TSX when ready.

No Longer Just a Resource Exchange

Built on a strong history of financing resource companies, TSX and TSXV now welcome a diverse list of companies.

- 40% of corporate listings (by market cap) are tech, cleantech, life sciences, diversified industries, communications/media (“Growth” Sectors) on TSX and TSXV.
- Innovation was the #1 sector on TSX and TSXV for IPOs and new listings in the past 5 years.
- \$62 Billion in equity capital was raised by the Innovation sector in the past 5 years.
- TSX and TSXV are 3rd among global peers by number of IPOs and new listings in 2022*.
- TSX and TSXV are 3rd among global peers by number of international IPOs and new listings in 2022*.

*Source: TSX/TSXV Market Intelligence Group, World Federation of Exchanges and exchange websites.

A Long-term Growth Strategy

Our market provides a well-used growth path from TSX Venture to Toronto Stock Exchange.

Companies can dual list on TSXV or TSX and a U.S. market or exchange.

Benefits of Dual Listing:

- Enhanced demand and profile.
- Increased equity research analyst coverage.
- Greater share liquidity.
- Access to TSX listed company customer base.
- Awareness and credibility to access Canadian customers.
- Advantages for Canadian employees.

260 TSXV graduates currently listed on TSX

751 graduates from TSXV to TSX since 2000

234 Companies dual listed on TSX (196 with NASDAQ/NYSE)

75 Companies dual listed on TSXV (28 with NASDAQ/NYSE)

A Source of Growth Capital

The Canadian markets boast a robust retail investor base, as well as world-class institutional investors.

Additionally, approximately 40% of trading originates from outside of Canada. Companies can access capital at varying sizes from small private placements to large IPOs.

	Total	Average
2021		
TSX	\$46B	\$72M
TSXV	\$11B	\$5.8M
2022		
TSX	\$21B	\$50M
TSXV	\$5.9B	\$4.4M

Canada's Global Capital Markets

2022 MARKETS AT A GLANCE	Total Market			U.S. Issuers		
	TSX	TSXV	TSX & TSXV	TSX	TSXV	TSX & TSXV
Listed Companies	1,789	1,713	3,502	46	80	126
Market Capitalization (\$ Billions)	\$3,791.7	\$70.4	\$3,862.1	\$157.5	\$3.7	\$161.2
Median Market Capitalization (\$ Millions)	\$132.4	\$8.0	\$29.9	\$289.1	\$12.3	\$33.1
Average Market Capitalization (\$ Millions)	\$2,119.4	\$41.1	\$1,102.8	\$3,423.6	\$46.8	\$1,279.6
Total Financings (\$ Millions)	\$21,424.8	\$5,923.8	\$27,348.5	\$691.6	\$220.0	\$911.6
Average Financings (\$ Millions)	\$49.7	\$4.4	\$15.3	\$49.4	\$4.2	\$13.8
Going Public Activity*	97	161	258	3	14	17
Graduates from TSXV	16	-	16	1	-	1

*Includes Initial Public Offerings, Capital Pool Company IPOs, Reverse Takeovers, Qualifying Acquisitions and others. Excludes comedowns and grads.

RECENT U.S. LISTINGS ON TSX & TSXV

	Industry	December 2022 Market Cap (C\$)	Equity Capital Raised Since Listing (C\$)
i-80 Gold Corp.	Mining	\$908M	\$131M
The Real Brokerage Inc.	Technology	\$257M	\$29M
Western Alaska Minerals Corp.	Mining	\$79M	\$22M
Tantalus Systems Holding Inc.	Clean Technology & Renewable Energy	\$45M	\$20M
The Planting Hope Company Inc.	Consumer Products & Services	\$34M	\$19M
ProStar Holdings Inc.	Technology	\$26M	\$16M
NowVertical Group Inc.	Technology	\$25M	\$27M
Thiogenesis Therapeutics, Corp.	Life Sciences	\$22M	\$9M
FRX Innovations Inc.	Clean Technology & Renewable Energy	\$22M	\$7M
MiniLuxe Holding Corp.	Consumer Products & Services	\$19M	\$19M
Hydreight Technologies Inc.	Life Sciences	\$18M	\$3M
Skylight Health Group Inc.	Life Sciences	\$13M	\$13M
ARCpoint Inc.	Life Sciences	\$12M	\$2M
Edge Total Intelligence Inc.	Technology	\$12M	\$4M
Sabio Holdings Inc.	Technology	\$11M	\$7M

Note: Select new U.S. listings from 2021-2022

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All information as at December 31, 2022, unless otherwise noted.

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TORONTO STOCK EXCHANGE AND TSX VENTURE EXCHANGE

Access Public Venture Capital

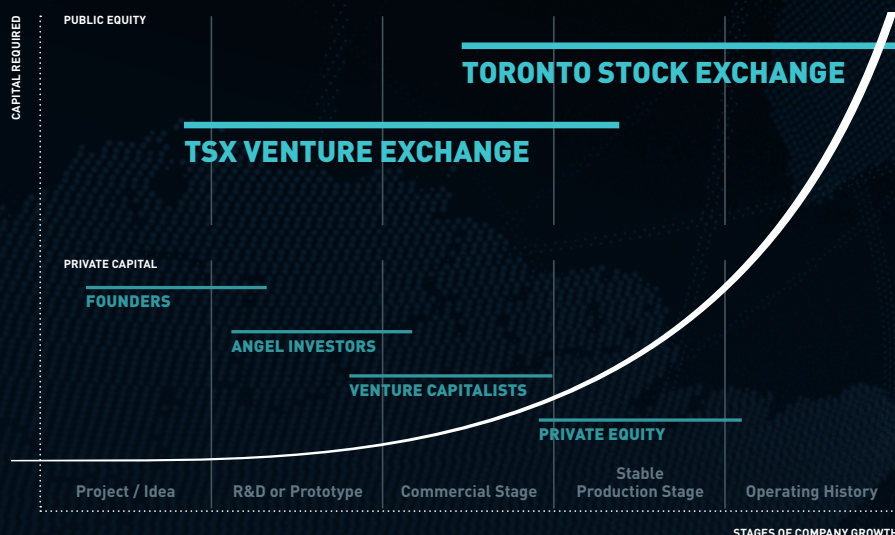
GO PUBLIC AT AN EARLIER STAGE THAN THE U.S. MARKETS

Toronto Stock Exchange (TSX) and TSX Venture Exchange (TSXV) are uniquely tailored to growth companies providing the opportunity to go public earlier than on major U.S. exchanges.

Benefits of the Canadian Markets

- Access To Growth Capital And Future Financing Opportunities
- Leverage Share Currency For Acquisitions
- Increase Visibility And Prestige
- Provide Liquidity For Shareholders
- Create Employee Incentive Mechanisms

Financing Growth Companies



Long-term Growth Strategy

A listing on TSX could be a strategic stepping stone to the U.S. markets. Once a TSX issuer is large and relevant enough, it can look to interlist on a major U.S. stock exchange. If your end goal is to tap into the U.S. markets, TSXV and TSX are a viable path to get there.

751

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Gateway to North American Institutional Capital

TSX & TSXV Financings

2022	Total	Average
TSX	\$21B	\$50M
TSXV	\$5.9B	\$4.4M



For more info contact

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us.tsx.com

REASON

Does your company have a reason to be public and take advantage of the benefits of being a public company?

Reasons to go public as an early stage growth company:

- Access to permanent capital with the ability to go back to the market for subsequent ideally non-dilutive rounds
- Facilitate growth by using public shares as acquisition currency versus direct cash offerings
- Diversify shareholder base and flatten cap table
- Provide a path to liquidity for early investors and employees
- Create an incentive mechanism for employees
- Use an alternative to private VC to maintain greater control
- Increase visibility and prestige by being listed on a recognized stock exchange

Reasons for a U.S. company to go public in Canada:

- An alternative path to a U.S. exchange, taking advantage of the streamlined dual-listing path through MJDS
- Potential to delay SEC registration and reduce the cost of U.S. compliance
- Access to pools of capital in Canada, the U.S. and globally
- Investors interest for my size and sector. This is where my peers are listed
- D+0 insurance that is significantly less expensive than for U.S. public companies
- Efficient access to the Canadian short form and base shelf prospectus system
- Create an incentive mechanism for employees

READY

Are you and the company ready to go and be public? Do you have the required team and infrastructure in place?

- Management team has industry and public company experience
- CFO has public company experience
- Going public team:
 - Canadian securities lawyer with cross-border transaction experience
 - U.S. securities lawyer
 - Auditing firm with IFRS capabilities
 - Lead Canadian investment banker
 - CPC (if applicable)
 - Canadian investor relations expertise

- Understanding of the potential legal and tax considerations for a U.S. company to go public in Canada, particularly if interested in avoiding SEC registration
- Intention and mindset to grow company to eventually list on a U.S. exchange
- Understanding of time commitment of CEO and CFO to the going public process, particularly for ongoing investor relations
- Audited financial statements (IFRS compatible): Two years for TSXV; three years for TSX
- Internal controls and infrastructure for corporate governance compliance and reporting
- Prepared for the transparency of being a public company

REQUIREMENTS

Does your company meet the listing requirements of the Exchange (TSXV or TSX)? See the full listing requirements by sector in the Guide to Listing at [us.tsx.com](https://www.us.tsx.com).

For TSXV:

- Company stage: if pre-revenue, have 12-24 months of working capital (can come from the capital raise)
- Audited financials: 2 years (IFRS compatible)
- Company history: adequate experience relevant to the business
- Public distribution: 200 public shareholders

For TSX:

- Company stage: \$7.5M in net tangible assets OR minimum \$10M in treasury OR two years of R&D expenditure capital
- Audited financials: 3 years (IFRS compatible)
- Company history: adequate experience relevant to the business as well as history of operations
- Public distribution: 300 public shareholders

REALITY

Is there investor interest for my type and size of company in current market conditions? Is going public in Canada realistic for my company?

- Investor interest: Can Canadian investment bankers get investor support for your type and size of company in current market conditions?
- Structure: Is there a viable structure that allows you to avoid SEC registration? Does it make sense to become a Foreign Private Issuer?
- Tax: What are the potential tax consequences and are they undesirable?
- Valuation: Can we get a reasonable and attractive valuation in current market conditions compared to private markets or U.S. public markets?
- Growth strategy: Does going public in Canada fit with your long term growth strategy including, if applicable, to eventually list on a U.S. exchange?