These materials are important and require your immediate attention. They require shareholders of Farmers Edge Inc. to make important decisions. If you are in doubt about how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you are a shareholder of Farmers Edge Inc. and require assistance with the procedure for voting, including to complete your form of proxy, please contact Computershare Investor Services Inc. at 1-800-564-6253 (toll-free in North America) or at 514-982-7555 (outside of North America) or by email at services@computershare.com. Questions on how to complete the letter of transmittal should be directed to Farmers Edge Inc.'s depositary, Computershare Investor Services Inc., at 1-800-564-6253 (toll-free in North America) or at 514-982-7555 (outside of North America) or by email at corporateactions@computershare.com.

FARMERS EDGE INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on March 15, 2024 and

MANAGEMENT PROXY CIRCULAR

dated February 8, 2024

with respect to an arrangement involving

FARMERS EDGE INC.

and

15736676 CANADA INC.

and

15635594 CANADA INC.

Letter to Shareholders

February 8, 2024

Dear Shareholders:

You are invited to attend a special meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of Farmers Edge Inc. (the "**Company**") to be held virtually on March 15, 2024 at 9:00 a.m. (Central Time).

The Arrangement

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement under section 192 of the *Canada Business Corporations Act* involving the Company, 15736676 Canada Inc. and 15635594 CANADA INC. (the "**Purchaser**"), a newly-formed subsidiary of Fairfax Financial Holdings Limited ("**FFHL**"), pursuant to which the Purchaser will acquire all of the issued and outstanding Common Shares (other than those Common Shares owned by FFHL and its controlled affiliates (collectively, "**Fairfax**") and the Company's Chief Executive Officer, Mr. Vibhore Arora (collectively, the "**Excluded Shareholders**")), at a price of $0.35 in cash per Common Share (the "**Consideration**"), subject to the terms and conditions of the arrangement agreement (the "**Arrangement Agreement**") dated January 22, 2024 among the Company, the Purchaser and FFHL (the "**Arrangement**").

Board Recommendation

The Board of Directors (the "**Board**") of the Company (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining), having taken into account such factors and matters as it considered relevant, including, among other things, the recommendation of a special committee (the "**Special Committee**") of the Board comprised solely of independent directors of the Company, being Steven Mills (Chair), James Borel and Natacha Mainville, unanimously determined that the Arrangement is (i) in the best interest of the Company, and (ii) fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders). Accordingly, the Board (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining) unanimously recommends that the Shareholders vote FOR the Arrangement Resolution (the "**Board Recommendation**").

Reasons for the Recommendation

The recommendation of the Special Committee and the Board that Shareholders vote FOR the Arrangement Resolution is based on various factors, including, but not limited to, those presented below. A full description of the information and factors considered by the Special Committee and the Board is located in the accompanying management proxy circular (the "**Circular**").

- Compelling Value Relative to Strategic Alternatives. Prior to entering into the Arrangement Agreement, the Special Committee, with the assistance of its independent financial and legal advisors, assessed the relative benefits and risks of various alternatives to the Arrangement. In that regard, Fairfax directly and indirectly owns and controls approximately 61.2% of the Common Shares as of January 22, 2024. As Fairfax has indicated that it is not interested in considering third-party offers

to acquire its interest in the Company at this time, there are limited strategic alternatives available to the Company, with the principal alternative to the Arrangement being maintaining the *status quo* and executing the Company's current strategic plan. Given the Company's financial condition and its reliance on Fairfax's continued financial support, the Special Committee concluded that there was a substantial risk, absent the Arrangement, that the Minority Shareholders would never have the opportunity to receive value greater than $0.35 per Common Share if the Company remained an independent public company. Based upon the Special Committee's knowledge of the Company's business, operations, financial condition and prospects, the Special Committee concluded that the Arrangement is more favourable to the Minority Shareholders than any other strategic alternative reasonably available to the Company, including the *status quo*.

- Significant Premium to Unaffected Market Price. The value of the Consideration offered to Shareholders under the Arrangement represents a premium of 218% to the closing and to the 20-day volume weighted average price per Common Share on the TSX, in each case as of November 15, 2023, being the last trading day prior to the announcement of a non-binding proposal by Fairfax to the Company.

- Certainty of Value and Liquidity. The Consideration being offered to Shareholders under the Arrangement is all cash and is not subject to any financing condition, which provides certainty of value and liquidity. If the Arrangement does not proceed, the trading price of the Common Shares is likely to decline materially below $0.35 per Common Share, and the low historical trading volume of the Common Shares is likely to limit alternative opportunities for liquidity for the Shareholders.

- Arm's Length Negotiations. The terms of the Arrangement and the Arrangement Agreement are the result of an arm's-length negotiation process between the Special Committee, with input from and consultation with its independent financial and legal advisors, on the one hand, and Fairfax and its advisors, on the other hand. The Consideration reflects a 40% increase to the original purchase price following the successful negotiations of the Special Committee.

- Independent Valuation and Fairness Opinion. On January 22, 2024 (the date that the Company entered into the Arrangement Agreement), BMO Nesbitt Burns Inc. ("**BMO**"), the Special Committee's independent financial advisor, submitted a formal valuation of the Common Shares in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), concluding that, as of January 22, 2024, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the fair market value of the Common Shares was in the range of $0.05 to $0.45 per Common Share. The Consideration being offered to the Shareholders (other than the Excluded Shareholders) under the Arrangement is in the upper third of BMO's valuation range. In addition, on January 22, 2024, BMO delivered a fairness opinion to the Special Committee, pursuant to which it concluded that, as of January 22, 2024, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) under the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders).

- Certainty of Funding during Arrangement Agreement. Fairfax has committed to provide the Company with sufficient funds to conduct its ordinary course of business operations for the duration of the term of the Arrangement Agreement, which is

expected to allow the Company to continue to conduct its business in compliance with the terms of the Arrangement Agreement until closing of the Arrangement (or earlier termination of the Arrangement Agreement).

- Arrangement Agreement Terms. The terms and conditions of the Arrangement Agreement are, in the judgment of the Special Committee, following consultations with its and the Company's legal advisors, reasonable and were the result of extensive and arm's length negotiations. In particular, the Arrangement Agreement provides for limited conditions to closing; and an ability for the Board to change its recommendation with respect to the Arrangement on the specific terms and conditions set forth in the Arrangement Agreement.

Voting Support Agreements

Two institutional shareholders and the directors and certain executive officers of the Company have each entered into Voting Support Agreements to vote their Common Shares in favour of the Arrangement subject to certain customary exceptions. The institutional shareholders, directors and certain executive officers hold, collectively, approximately 8.3% of the Common Shares (and 24.1% of the Common Shares after excluding the Common Shares held or controlled by the Excluded Shareholders and any other person required to be excluded under MI 61-101).

Approval Requirements

The Board has set the close of business on February 6, 2024 (the "**Record Date**") as the record date for determining the Shareholders who are entitled to receive notice of, and to vote at, the Meeting. Only persons shown on the register of Shareholders at the close of business on the Record Date, or their duly appointed proxyholders, will be entitled to attend the Meeting and vote on the Arrangement Resolution.

Pursuant to the interim order of the Court of King's Bench of Manitoba dated February 8, 2024, as same may be amended, modified or varied, and MI-61-101, the Arrangement Resolution will require the affirmative vote of:

(a) at least two-thirds (2/3) of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101.

The Arrangement is subject to customary closing conditions for a transaction of this nature, including court and shareholder approval. If the necessary approvals are obtained and the other conditions to closing are satisfied or waived, it is anticipated that the Arrangement will be completed prior to the end of the first calendar quarter of 2024, and as a Shareholder, you will receive payment for your Common Shares shortly after closing provided the depositary receives your duly completed letter of transmittal, together with any other documents required by the depositary.

Shareholders should review the accompanying notice of special meeting (the "**Notice of Meeting**") and Circular, which describes, among other things, the background to the Arrangement

as well as the reasons for the determinations and recommendations of the Special Committee and the Board. The Circular contains a detailed description of the Arrangement and includes additional information to assist you in considering how to vote at the meeting. You are urged to read this information carefully and, if you require assistance, you are urged to consult your financial, legal, tax or other professional advisors.

We are asking you to take two actions.

First, your vote is important regardless of how many Common Shares you own. Shareholders are encouraged to vote in advance of the Meeting. If you are a registered holder of Common Shares (a "**Registered Shareholder**"), whether or not you plan to attend the Meeting, to vote your Common Shares at the Meeting, you can either return a duly completed and executed form of proxy to Computershare Investor Services Inc. ("**Computershare**") by mail to 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or vote by internet or phone in accordance with the enclosed instructions or the instructions included with the form of proxy, in each case by no later than 9:00 a.m. (Central Time) on March 13, 2024, or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such meeting. If you hold Common Shares through a broker, investment dealer, bank, trust company or other intermediary (a "**Non-Registered Shareholder**"), you should follow the instructions provided by your intermediary to ensure your vote is counted at the Meeting.

Second, if the Arrangement is approved and completed, before the Purchaser can pay you for your Common Shares, the depositary will need to receive the applicable letter of transmittal completed by you, if you are a Registered Shareholder, or your broker, investment dealer, bank, trust company or other intermediary, if you are a Non-Registered Shareholder. Registered Shareholders must complete, sign, date and return the enclosed letter of transmittal. If you are a Non-Registered Shareholder, you must ensure that your intermediary completes the necessary transmittal documents to ensure that you receive payment for your Common Shares if the Arrangement is completed.

VOTE USING THE FOLLOWING METHODS PRIOR TO THE MEETING

Voting Method	Registered Shareholders **If your Common Shares are held in your name and represented by a physical certificate or DRS Advice**	Non-Registered Shareholders **If your Common Shares are held with a broker, bank or other intermediary**
Internet	Go to www.investorvote.com. Enter the 15-digit control number printed on the form of proxy and follow the instructions on screen.	Follow the instructions provided by your intermediary.
Phone	Vote by phone at **1-866-732-8683** using the 15-digit control number printed on the form of proxy.	Follow the instructions provided by your intermediary.
Mail	Enter voting instructions, sign and date the form of proxy and return your completed form of proxy in the enclosed postage paid envelope to: **Computershare Investor Services Inc. 100 University Avenue, 8th Floor Toronto, Ontario M5J 2Y1**	Enter your voting instructions, sign and date the VIF, and return the completed VIF in the enclosed postage paid envelope.

If you have any questions about the information contained in the Circular or require assistance in completing your Proxy, please contact Computershare at 1-800-564-6253 (toll-free in North America) or at 514-982- 7555 (outside of North America).

Your vote is important regardless of the number of Common Shares you own. If you are unable to be virtually present at the Meeting, we encourage you to take the time now to complete, sign, date and return the enclosed proxy or voting instruction form, as applicable, so that your Common Shares can be voted at the Meeting in accordance with your instructions. If you are a registered Shareholder, we also encourage you to complete, sign, date and return the enclosed letter of transmittal together with the certificates representing your Common Shares, which will help the Company arrange for the prompt payment for your Common Shares if the Arrangement is completed.

On behalf of the Board, we would like to take this opportunity to thank you for the support you have shown as Shareholders of the Company.

Yours very truly,

(Signed) "*R. William McFarland*"
R. William McFarland
Chair of the Board

(Signed) "*Steven Mills*"
Steven Mills
Chair of the Special Committee

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares (the "**Common Shares**") of Farmers Edge Inc. ("**Farmers Edge**" or the "**Company**") will be held on March 15, 2024 at 9:00 a.m. (Central Time) in a virtual only format where Shareholders may attend and participate in the meeting via live audio webcast at https://meetnow.global/MST6NUH, for the following purposes:

1. to consider, and, if deemed advisable, to pass, a special resolution (the "**Arrangement Resolution**") approving a proposed plan of arrangement involving the Company, 15736676 Canada Inc. ("**ArrangeCo**") and 15635594 CANADA INC. (the "**Purchaser**") pursuant to section 192 of the *Canada Business Corporations Act* (the "**Arrangement**"), the full text of which is outlined in Appendix A of the accompanying management proxy circular (the "**Circular**"); and

2. to transact such other business as may properly come before the Meeting or any adjournment or postponement(s) thereof.

Specific details of the matters to be put before the Meeting, as identified above, are set forth in the Circular which accompanies and is deemed to form part of this Notice of Special Meeting of Shareholders.

In order to provide Shareholders with equal opportunity to participate in the Meeting regardless of geographic location and equity ownership, the Company is conducting the Meeting in a virtual only format. Shareholders will not be able to attend the Meeting in person. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online. Non-Registered Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to attend the Meeting as guests.

Registered Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return to Computershare Investor Services Inc. ("**Computershare**"), the transfer agent and registrar of the Company, the enclosed form of proxy (the "**Proxy**") or follow the instructions provided on the Proxy to vote. **To be effective, a Proxy must be received by 9:00 a.m. (Central Time) on March 13, 2024, or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such Meeting.** A Proxy can be submitted to Computershare either in person, by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; by telephone toll-free at 1-866-732-8683; or via the internet at www.investorvote.com. Late Proxies may be accepted or rejected by the Chair of the Meeting at his or her discretion, and the Chair of the Meeting is under no obligation to accept or reject any particular late Proxy.

Non-Registered Shareholders who receive these materials through their intermediary should carefully follow the instructions provided by their broker or intermediary.

The Board has fixed the close of business on February 6, 2024 as the Record Date for the determination of the Shareholders entitled to receive notice of and vote at the Meeting or any adjournment or postponement thereof. Unless specified otherwise, all information contained herein is as of January 22, 2024. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by the Company before the Meeting or at the Chair's discretion at the Meeting.

The persons named in the enclosed Proxy are directors and officers of the Company. A Shareholder has the right to appoint a person or company (who need not be a Shareholder), other than the persons whose names appear in such Proxy, to attend and to act for and on behalf of such Shareholder at the Meeting and at any adjournment or postponement thereof. To exercise this right, the Shareholder must either insert the name of the desired person in the blank space provided in the Proxy and strike out the other names or submit another proper Proxy and, in either case, deliver the completed Proxy by post or other form of delivery to Computershare, to be received **no later than 9:00 a.m. (Central Time) on March 13, 2024, or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such meeting**. The Proxy voting cut-off may be waived or extended by the Chair of the Meeting at his or her discretion without notice. A Proxy may be submitted to Computershare either in person, by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; by telephone toll-free at 1-866-732-8683; or via the internet at www.investorvote.com.

If a Shareholder who has submitted a Proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such Shareholder on a ballot will be counted and the submitted Proxy will be disregarded.

Shareholders who wish to appoint someone other than the management nominees as their proxyholder to attend and participate at the Meeting as their proxy and vote their Common Shares MUST submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder **AND** register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your form of proxy or voting instruction form. **Failure to register the proxyholder will result in the proxyholder not receiving an invite code that is required to vote at the Meeting.**

To register a proxyholder to attend and participate at the Meeting, Shareholders MUST visit http://www.computershare.com/farmersedge by 9:00 a.m. (Central Time) on March 13, 2024 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with an invite code via email. Without an invite code, proxyholders will not be able to attend and vote at the Meeting.

A registered Shareholder who has given a Proxy may revoke such proxy by: (a) completing and signing a Proxy bearing a later date and depositing it with Computershare in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the registered Shareholder or by such Shareholder's personal representative authorized in writing (i) at the office of Computershare no later than 9:00 a.m. (Central Time) on March 13, 2024 or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such meeting, (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed meeting on the day of such reconvened or postponed meeting, or (iii) in any other manner permitted by law.

In addition, if you are a registered Shareholder, once you join the Meeting online and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted Proxy will remain valid.

Beneficial Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures.

Accompanying this Notice of Meeting is the Circular, the Proxy and a letter of transmittal (for registered Shareholders).

Pursuant to an interim order of the Court of King's Bench of Manitoba dated February 8, 2024 (the "**Interim Order**"), registered Shareholders have been granted the right to dissent in respect of the Arrangement and, if the Arrangement becomes effective, to be paid an amount equal to the fair value of their Common Shares. This dissent right, and the procedures for its exercise, are described in the Circular under "*Dissenting Shareholders' Rights*". Failure to comply strictly with the dissent procedures described in this Circular will result in the loss or unavailability of any right to dissent. Persons who are beneficial owners of Common Shares registered in the name of an intermediary who wish to dissent should be aware that only registered Shareholders are entitled to dissent. Accordingly, a beneficial owner of Common Shares desiring to exercise this right must make arrangements for the Common Shares beneficially owned by such Shareholder to be registered in the Shareholder's name prior to 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 Common Shares to exercise such right to dissent on the Shareholder's behalf. It is strongly suggested that any Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the *Canada Business Corporations Act*, as modified by the Interim Order and the Plan of Arrangement (as such term is defined in the Circular), may prejudice such Shareholder's right to dissent.

Dated this 8th day of February, 2024.

BY ORDER OF THE BOARD

By: (Signed) "*R. William McFarland*"
Name: R. William McFarland
Title: Director and Chair of the Board

By: (Signed) "*Steven Mills*"
Name: Steven Mills
Title: Director and Chair of the Special Committee

FARMERS EDGE INC.
25 Rothwell Road
Winnipeg, Manitoba
R3P 2M5

Tel: 1 (866) 724-3343

MANAGEMENT PROXY CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by the management of **Farmers Edge Inc.** ("**we**", "**us**", "**our**", "**Farmers Edge**", and the "**Company**") for use at the special meeting of the Shareholders (the "**Meeting**") to be held on March 15, 2024 at 9:00 a.m. (Central Time) online at https://meetnow.global/MST6NUH, and any adjournment or postponement thereof.

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth in the "*Glossary of Terms*".

The information contained herein is given as of January 22, 2024, except as otherwise stated and except that information in documents incorporated by reference is given as of the dates noted therein.

Unless otherwise indicated, all amounts in this Circular are expressed in Canadian dollars.

Cautionary Statements

We have not authorized any person to give any information or make any representation regarding the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular. If any such information or representation is given or made to you, you should not rely on it as being authorized or accurate.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. The delivery of this Circular will not, under any circumstances, create any implication or be treated as a representation that there has been no change in the information set out herein since the date of this Circular.

Proxies will be solicited primarily by mail or by any other means the Management may deem necessary. The Company may also reimburse brokers and other persons holding Common Shares in their name, or in the name of nominees for their costs incurred in sending proxy materials to their principals to obtain their proxies.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and are urged to consult with their own legal, tax, financial or other professional advisors.

The information contained in this Circular concerning the Purchaser or Fairfax has been provided by the applicable member of Fairfax for inclusion in this Circular. Although the Company has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by applicable member of Fairfax are untrue or incomplete, the Company assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by the applicable member of Fairfax to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company.

All summaries of, and references to, the Plan of Arrangement and the Arrangement Agreement in this Circular are qualified in their entirety by the complete text of the Plan of Arrangement and the Arrangement Agreement. Shareholders should refer to the full text of each of the Plan of Arrangement and the Arrangement Agreement for complete details of such documents. A copy of the Arrangement Agreement is available under Farmers Edge's profile on SEDAR+ at www.sedarplus.ca and the Plan of Arrangement is attached as Appendix B to this Circular. You are urged to read the full text of the Plan of Arrangement and the Arrangement Agreement carefully.

Forward-Looking Information

This Circular contains "forward-looking information" within the meaning of applicable Securities Laws, and the Company intends that such forward-looking statements be subject to the safe harbours created thereby. Forward-looking statements are all statements other than historical information or statements of current condition. Forward looking information may relate to our future outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividend policy, plans, objectives of our Company. In some cases, forward looking information can be identified by the use of forward looking terminology such as "plans", "targets", "expects", "does not expect", "is expected", "an opportunity exists", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "prospects", "strategy", "intends", "anticipates", "does not anticipate", "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward looking information. Statements containing forward looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. They are not guarantees of future performance and these statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. More particularly and without restriction, this Circular contains forward-looking statements and information regarding: statements and implications about the anticipated benefits of the Arrangement for the Company, the Purchaser and their respective shareholders; Shareholder, Court and TSX approvals; the delisting of the Common Shares; and the anticipated timing of the completion of the Arrangement.

Forward-looking information is subject to a number of risks and uncertainties, many of which are beyond the control of the Company, the Purchaser and their affiliates, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the failure of the Parties to obtain any necessary Shareholder, Court or TSX approvals or to otherwise satisfy the conditions to the completion of the Arrangement; failure of the Parties to obtain such approvals or satisfy such conditions in a timely manner; significant transaction costs or unknown liabilities;

failure to realize the expected benefits of the Arrangement; general economic conditions; and other risks and uncertainties identified under "*Risk Factors*" and "*Information Concerning Farmers Edge Inc.*". Failure to obtain any necessary Shareholder, Court or TSX approvals, or the failure of the Parties to otherwise satisfy the conditions to the completion of the Arrangement or to complete the Arrangement, may result in the Arrangement not being completed on the proposed terms, or at all. In addition, if the Arrangement is not completed, and the Company continues as a publicly-traded entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of the Arrangement could have an impact on its business and strategic relationships (including with future and prospective employees, customers, suppliers and partners), operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects.

Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable Securities Law.

This list is not exhaustive of the factors that may affect any of the forward-looking statements of the Company. The risks and uncertainties that could affect forward-looking statements are described further under the heading "*Risk Factors*". Additional risks are further discussed in the Company's Annual Information Form for the year ended December 31, 2022, the management's discussion and analysis for the year ended December 31, 2022, as well as the management's discussion and analysis for the interim period ended September 30, 2023, which have been filed under Farmers Edge's profile on SEDAR+ at www.sedarplus.ca. Copies of these documents are available upon written request to the General Counsel of the Company, without charge where applicable. Such written request should be directed to the attention of Farmers Edge Inc., 25 Rothwell Road, Winnipeg, Manitoba, R3P 2M5.

THIS ARRANGEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS ARRANGEMENT OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Notice To Shareholders Not Resident in Canada

The Company is a corporation organized under the *Canada Business Corporations Act*. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate and Securities Laws in Canada. Shareholders should be aware that the requirements applicable to the Company, the Arrangement and this Circular under applicable Canadian laws may differ from requirements under corporate and Securities Laws in other jurisdictions. U.S. Shareholders should be aware that this solicitation and the Arrangement are not subject to the *U.S. Securities Exchange Act* of 1934, as amended and the regulations thereunder. This Circular was neither submitted to, nor reviewed by, the United States Securities and Exchange Commission.

The enforcement of civil liabilities under the Securities Laws of other jurisdictions outside Canada may be affected adversely by the fact that the Company is organized under the Laws of Canada and that certain of its directors and its executive officers are residents of Canada. You may not be able to sue the Company or its directors or executive officers in a Canadian court for violations of foreign Securities Laws. It may be difficult to enforce against the Company a judgment of a court outside Canada.

Shareholders who are foreign taxpayers should be aware that the Arrangement (including the receipt of cash by Shareholders) may be a taxable transaction and may have tax consequences both in Canada and such foreign jurisdiction. The discussion in this Circular is limited to certain Canadian federal income tax issues only and does not address any foreign or other tax consequences. Shareholders are advised to consult their tax advisors to determine the particular tax consequences to them of the transactions contemplated in this Circular.

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SUMMARY

The following is a summary of certain information contained in this Circular. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular and the attached appendices, all of which are important and should be reviewed carefully. Capitalized terms used in this summary without definition have the meanings ascribed to them in the "*Glossary of Terms*". Shareholders are urged to read this Circular and its appendices carefully and in their entirety.

The Meeting

The Meeting will be held on March 15, 2024 at 9:00 a.m. (Central Time) exclusively in virtual format. See "*Information Concerning the Meeting and Voting*". The Board has fixed the close of business on February 6, 2024 as the Record Date for the purpose of determining Shareholders entitled to receive the notice of and vote at the Meeting.

How to Attend and Participate at the Virtual Only Meeting

The Meeting will be conducted in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for asking questions and voting at the Meeting), Registered Shareholders or duly appointed proxyholders must have a valid 15-digit control number or invite code.

Attending the Meeting online enables Registered Shareholders and duly appointed proxyholders, including Non-Registered Shareholders who have duly appointed third party proxyholders, to participate at the Meeting, ask questions and vote, all in real time. Registered Shareholders and duly appointed third party proxyholders can vote at the appropriate times during the Meeting. Guests, including Non-Registered Shareholders who have not duly appointed a third-party proxyholder, can join the Meeting online as set out below. Guests can listen to the Meeting but are not able to vote.

In order to participate in the Meeting, Registered Shareholders must have a valid 15-digit control number and duly appointed proxyholders must have received an email from Computershare containing an invite code. To attend the meeting, Registered Shareholders, duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder) and guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder) must log in online as set out below:

Step 1: Log in online at https://meetnow.global/MST6NUH on your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Edge or Firefox. We recommend that you log in at least fifteen minutes before the Meeting starts, but you will be able to log in up to 60 minutes prior to the start of the Meeting. If you have any difficulties logging in during the 60 minutes before the Meeting, you will be able to contact Computershare at the toll-free telephone number posted on the login screen.

Step 2: Follow the instructions below:

Registered Shareholders: To join, you must have a control number. Once the webpage above has loaded into your web browser, click "Join Meeting Now" then select "Shareholder" on the login screen and enter your 15-digit control number. The 15-digit control number is located on

your form of proxy or in the email notification you received from Computershare. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.

Duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder): To join, you must have an invite code. Once the webpage above has loaded into your web browser, click "Join Meeting Now" then select "Invitation" on the login screen and enter your invite code. Proxyholders who have been duly appointed and registered with Computershare as described in "Appointment of a Third Party as Proxy" above will receive an invite code by email from Computershare after the proxy voting deadline has passed.

Guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder): To join, follow the login link above. Once the webpage has loaded into your web browser, select "Guest" on the login screen. As a guest, you will be prompted to enter your name and email address. Non-Registered Holders who have not appointed themselves as proxyholder must attend the meeting as guests. Guests can listen to the Meeting but are not able to vote or ask questions.

If you wish to vote during the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure. For more information about accessing and participating in the Meeting online, Shareholders are encouraged to consult the document entitled "How to Participate in the Meeting Online" available on SEDAR+ and on the Company's website at www.farmersedge.ca.

Purpose of the Meeting

The Meeting will be held for the following purposes:

1. to consider, and, if deemed advisable, to pass the Arrangement Resolution, the full text of which is outlined in Appendix A of this Circular; and

2. to transact such other business as may properly come before the Meeting or any adjournment or postponement(s) thereof.

Summary of the Arrangement

The Arrangement Agreement provides for, among other things, the acquisition by the Purchaser of all of the issued and outstanding Common Shares (other than the Common Shares held by the Excluded Shareholders) by way of a statutory plan of arrangement under section 192 of the CBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Excluded Shareholders), except for the Dissenting Shareholders, will receive $0.35 in cash per Common Share. A copy of the Plan of Arrangement is attached to this Circular as Appendix B. See "*The Arrangement*".

Required Shareholder Approvals

In order for the Arrangement to be effected, Shareholders will be asked to consider and, if deemed advisable, approve the Arrangement Resolution and any other related matters at the Meeting. The Arrangement Resolution must be approved by the affirmative vote of:

(a) at least two-thirds (2/3) of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101.

The full text of the Arrangement Resolution and Plan of Arrangement are attached to this Circular as Appendix A and Appendix B, respectively.

Recommendation of the Special Committee

The Special Committee, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement, the Arrangement Agreement, the Voting Support Agreements and a number of other factors, including, without limitation, those listed under "*The Arrangement – Reasons for the Recommendation*", and after consulting with BMO and Goodmans, including receiving the Formal Valuation and Fairness Opinion (see "*The Arrangement – Formal Valuation and Fairness Opinion*"), has unanimously determined: (i) that the Arrangement is in the best interests of the Company; (ii) that the consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Arrangement is fair to the Shareholders (other than the Excluded Shareholders); (iii) to recommend that the Board approve the Arrangement and the entering into by the Company of the Arrangement Agreement; and (iv) to recommend that the Board recommend to Shareholders that they vote in favour of the Arrangement Resolution. See "*The Arrangement – Recommendation of the Special Committee*".

Recommendation of the Board

The Board (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining), having taken into account such factors and matters as it considered relevant including, among other things, the recommendation of the Special Committee, unanimously determined that the Arrangement is (i) in the best interest of the Company, and (ii) fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders). Accordingly, the Board (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining) unanimously recommends that the Shareholders vote **FOR** the Arrangement Resolution. See "*The Arrangement – Recommendation of the Board*".

Reasons for the Recommendation

In making its recommendation to the Board, the Special Committee considered and relied upon a number of substantive and procedural factors, including, among others, the following:

- Compelling Value Relative to Strategic Alternatives. Prior to entering into the Arrangement Agreement, the Special Committee, with the assistance of its

independent financial and legal advisors, assessed the relative benefits and risks of various alternatives to the Arrangement. In that regard, Fairfax directly and indirectly owns and controls approximately 61.2% of the Common Shares as of January 22, 2024. As Fairfax has indicated that it is not interested in considering third-party offers to acquire its interest in the Company at this time, there are limited strategic alternatives available to the Company, with the principal alternative to the Arrangement being maintaining the *status quo* and executing the Company's current strategic plan. Given the Company's financial condition and its reliance on Fairfax's continued financial support, the Special Committee concluded that there was a substantial risk, absent the Arrangement, that Minority Shareholders would never have the opportunity to receive value greater than $0.35 per Common Share if the Company remained an independent public company. Based upon the Special Committee's knowledge of the Company's business, operations, financial condition and prospects, the Special Committee concluded that the Arrangement is more favourable to Minority Shareholders than any other strategic alternative reasonably available to the Company, including the *status quo*.

- Significant Premium to Unaffected Market Price. The value of the Consideration offered to Shareholders under the Arrangement represents a premium of 218% to the closing and to the 20-day volume weighted average price per Common Share on the TSX, in each case as of November 15, 2023, being the last trading day prior to the announcement of a non-binding proposal by Fairfax to the Company.

- Certainty of Value and Liquidity. The Consideration being offered to Shareholders under the Arrangement is all cash and is not subject to any financing condition, which provides certainty of value and liquidity. If the Arrangement does not proceed, the trading price of the Common Shares is likely to decline materially below $0.35 per Common Share, and the low historical trading volume of the Common Shares is likely to limit alternative opportunities for liquidity for the Shareholders.

- Arm's Length Negotiations. The terms of the Arrangement and the Arrangement Agreement are the result of an arm's-length negotiation process between the Special Committee, with input from and consultation with its independent financial and legal advisors, on the one hand, and Fairfax and its advisors, on the other hand. The Consideration reflects a 40% increase to the original purchase price following the successful negotiations of the Special Committee.

- Independent Valuation and Fairness Opinion. On January 22, 2024 (the date that the Company entered into the Arrangement Agreement), BMO, the Special Committee's independent financial advisor, submitted a formal valuation of the Common Shares in accordance with MI 61-101, concluding that, as of January 22, 2024, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the fair market value of the Common Shares was in the range of $0.05 to $0.45 per Common Share. The Consideration being offered to the Shareholders (other than the Excluded Shareholders) under the Arrangement is in the upper third of BMO's valuation range. In addition, on January 22, 2024, BMO delivered a fairness opinion to the Special Committee, pursuant to which it concluded that, as of January 22, 2024, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) under the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders).

- Certainty of Funding during Arrangement Agreement. Fairfax has committed to provide the Company with sufficient funds to conduct its ordinary course of business operations for the duration of the term of the Arrangement Agreement, which is expected to allow the Company to continue to conduct its business in compliance with the terms of the Arrangement Agreement until closing of the Arrangement (or earlier termination of the Arrangement Agreement).

- Arrangement Agreement Terms. The terms and conditions of the Arrangement Agreement are, in the judgment of the Special Committee, following consultations with its and the Company's legal advisors, reasonable and were the result of extensive and arm's length negotiations. In particular:

    - Limited Conditions to Closing. The Purchaser's obligation to complete the Arrangement is subject to a limited number of conditions that the Special Committee and the Board believe are reasonable in the circumstances and the completion of the Arrangement is not subject to a due diligence or financing condition.

    - Ability to Change Recommendation. Subject to certain terms and conditions, the Board (excluding directors who are directors, officers or employees of Fairfax) may change its recommendation to Shareholders regarding the Arrangement as required in connection with its fiduciary duties, and the Company is not required to pay Fairfax a fee if the Board changes its recommendation.

    - Unconditional Guarantee. FFHL, which the Special Committee determined is a creditworthy entity, has provided an unconditional guarantee, in favour of the Company, of the due and punctual performance by the Purchaser of its respective covenants and obligations under the Arrangement Agreement, including the obligation to pay the aggregate Consideration payable by the Purchaser pursuant to the Arrangement Agreement and the Plan of Arrangement.

- Special Committee Oversight. The Special Committee, which is comprised entirely of independent directors and was advised by experienced and qualified independent financial and legal advisors, oversaw, reviewed and considered, and directly participated in the negotiation of, the Arrangement Agreement. The Special Committee and its independent legal and financial advisors engaged in extensive analysis and robust negotiations in an attempt to obtain the best available terms for the Company and the Shareholders (other than the Excluded Shareholders), and successfully negotiated a 40% increase to the original purchase price.

- Court and Shareholder Approval Required. Completion of the Arrangement is subject to the following shareholder and court approvals:

    - at least two-thirds (2/3) of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting;

    - a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101; and

- a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to Shareholders and other affected persons.

- Dissent Rights. Registered Shareholders will be granted the right to dissent with respect to the Arrangement, which provides them with the right to demand payment of the fair value for their Common Shares, as determined by the Court.

- Other Stakeholders. The Special Committee also considered, in consultation with its and the Company's legal advisors, the impact of the Arrangement on the Company's various stakeholders. In particular, the Special Committee took into account:

  - Employees. The potential impact of the Arrangement on the Company's employees.

  - Treatment of Options, RSUs and PSUs. The treatment of options, restricted share units and performance share units under the Arrangement.

In making its recommendation with respect to the Arrangement, the Special Committee also considered a number of potential risks and potential negative factors, which the Special Committee concluded were outweighed by the positive substantive and procedural factors described above, including, among others, the following:

- No Continuing Interest of Shareholders. Following the Arrangement, the Company will no longer exist as a public company, the Common Shares will be delisted from the TSX and the Shareholders (other than the Excluded Shareholders) will forgo any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans. However, as described above, the Special Committee concluded that there was a substantial risk, absent the Arrangement, that Shareholders would never have the opportunity to receive value greater than $0.35 per share if the Company remained an independent public company.

- No Broad Public Sale Process or Auction. Given that any alternative transaction can only be completed with the consent of Fairfax, and Fairfax advised the Special Committee that is it not interested in considering third party offers to acquire its interest in the Company at this time, the Company has not solicited offers from third parties for alternative transactions and the Arrangement Agreement prohibits the Company from soliciting alternative transactions between signing the Arrangement Agreement and closing.

- Risks to the Business of Non-Completion. There are risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement, the significant attention required of management to implement the Arrangement, the potential impact on the Company's current business operations and relationships (including with future and prospective employees, customers, distributors, suppliers and partners) and Fairfax no longer providing the Company with sufficient funds to conduct its ordinary course of business operations beyond its existing commitments.

- Conditions to Closing. Although limited, there are conditions to the obligation of the Purchaser to complete the Arrangement, and certain of the conditions to closing are

outside the control of the Company. In addition, the Purchaser has the right to terminate the Arrangement Agreement in certain circumstances.

- Restrictions on Operations. The Arrangement Agreement imposes various restrictions on the conduct of the Company's business during the period between the entering into of the Arrangement Agreement and the consummation of the Arrangement.

- Interest of Certain Persons. In connection with the Arrangement, certain of the Company's senior officers may be entitled to receive collateral benefits (as such term is defined under MI 61-101) that differ from, or are in addition to, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) under the Arrangement. In addition, certain directors of the Company (including the members of the Special Committee) own Company Options that, in accordance with the terms of the Arrangement Agreement, will vest and be paid out (based on the $0.35 purchase price per share payable to Minority Shareholders), although the Special Committee determined that these benefits were not material and do not constitute "collateral benefits" within the meaning of MI 61-101.

- Risks of Remaining Stand-Alone Public Company. If the Arrangement Agreement is terminated, there is no assurance that the continued operation of the Company under its current business model will yield equivalent or greater value to Shareholders compared to that available under the Arrangement Agreement.

- Taxable Transaction. The Arrangement will generally be a taxable transaction and, as a result, the holders of Common Shares will generally be required to pay taxes on any taxable gains that result from their receipt of the Consideration pursuant to the Arrangement.

The Special Committee's recommendation is based upon the totality of the information presented to and considered by it. In light of the variety of factors considered in connection with the Special Committee's evaluation of the Arrangement, the Special Committee did not find it practicable to, and did not attempt to, quantify or otherwise assign any relative weight to the various factors that it considered in making its recommendations. The foregoing factors are not intended to be exhaustive, but include the material factors considered by the Special Committee in making its determinations and recommendations. The above factors are not presented in any order of priority. See "*The Arrangement – Reasons for the Recommendation*".

Parties to the Arrangement

The Company

Initially founded in 2005 as an agronomic consulting services company, Farmers Edge was formed by way of an amalgamation of Farmers Edge Precision Consulting Inc. and Farmers Edge International Inc. on August 21, 2014 pursuant to *The Corporations Act* (Manitoba). The Company's articles were amended on March 27, 2015, July 16, 2015, August 17, 2015 and December 12, 2017, in each case to restate its authorized share capital. The Company's articles were further amended on March 2, 2021 to, among other things, restate its authorized share capital and consolidate its issued and outstanding shares on a 7:1 basis. On August 15, 2022, the Company filed articles of continuance to continue out of the jurisdiction of *The Corporations Act* (Manitoba) and into the jurisdiction of the CBCA, effective August 15, 2022 (the "**Continuance**"). The Continuance was approved at the annual and special meeting of

shareholders held on June 15, 2022. The Company's head office is located at 25 Rothwell Road, Winnipeg, Manitoba R3P 2M5 and its registered office is located at 242 Hargrave Street, Suite 1700, Winnipeg, Manitoba R3C 0V1.

Farmers Edge is a global leader in digital agriculture with a broad portfolio of proprietary technological innovations, spanning hardware, software, and services, all with the goal of helping make the entire agricultural ecosystem more efficient and successful in improving how food is produced and distributed to a rapidly growing global population. FarmCommand is Farmers Edge proprietary, cloud-based analytics software platform that drives informed decision-making with crop traceability. Offered as a web-based platform (for the office), mobile app (for the field) and on a universal terminal (for a live experience in the tractor cab), FarmCommand is designed to provide monitoring, alerts, predictive models and sophisticated outcome-based data recommendations. Through data science applications such as machine learning and artificial intelligence, Farmers Edge is able to transform data into actionable insights for its growers, their partners and their advisors. FarmCommand assists farmers in making critical decisions related to fertilizer application, seed selection, crop protection applications, fleet management, production planning and risk management through advanced weather analytics, forecasts, field-level analytics, remote sensing and predictive agronomic profitability and benchmarking reports. FarmCommand is engineered to enterprise-level standards but is designed for simplicity and ease-of-use, enabling farmers to remain focused on their operations.

The Company continues to pursue revenue from our business analytics solutions, which will expand its scope of market beyond the farm. This area is focused on working with key participants in the crop insurance and other financial services, carbon offset, and broader agriculture technology industries.

ArrangeCo

ArrangeCo was incorporated under the CBCA on January 31, 2024. ArrangeCo's head office is located at 25 Rothwell Road, Winnipeg, Manitoba R3P 2M5 and its registered office is located at 242 Hargrave Street, Suite 1700, Winnipeg, Manitoba R3C 0V1. ArrangeCo was formed for the purpose of effecting the Arrangement and will not carry on any business prior to the Effective Time, other than in connection with the Arrangement. ArrangeCo is a direct wholly-owned subsidiary of the Company.

The Purchaser

The Purchaser is a corporation incorporated under the CBCA. FFHL is the sole shareholder of the Purchaser. The Purchaser was formed solely for the purpose of engaging in the transactions contemplated by the Arrangement Agreement and has not engaged in any business activities other than in connection with the transactions contemplated by the Arrangement Agreement.

The Guarantor

FFHL is a holding company which, through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and the associated investment management. Fairfax was incorporated under the *Canada Corporations Act* on March 13, 1951 and continued under the CBCA in 1976. FFHL's subordinate voting shares are listed on the TSX under the symbol FFH and in U.S. dollars under the symbol FFH.U.

Background to the Arrangement

See "*The Arrangement – Background to the Arrangement*" for a summary of the main events that led to the execution of the Arrangement Agreement and certain meetings, negotiations, discussions and actions of the parties that preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement.

Formal Valuation and Fairness Opinion

In connection with the Arrangement, BMO delivered to the Special Committee the Formal Valuation and Fairness Opinion dated January 22, 2024, which provided that, based on the assumptions, limitations and qualifications contained therein, fair market value of the Common Shares was in the range of $0.05 to $0.45 per Common Share and the Consideration to be received by Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders).

The full text of the Formal Valuation and Fairness Opinion is attached as Appendix E to this Circular and is incorporated by reference in its entirety into this Circular. Shareholders are encouraged to read the Formal Valuation and Fairness Opinion carefully in its entirety. The Formal Valuation and Fairness Opinion was provided to the Special Committee in connection with their evaluation of the Consideration to be received pursuant to the Arrangement, does not address any other aspect of the Arrangement and does not constitute a recommendation as to how Shareholders should vote or act with respect to the Arrangement. See "*The Arrangement – Formal Valuation and Fairness Opinion*".

Voting Support Agreements

Two institutional shareholders and the directors and certain officers of the Company (collectively, the "**Supporting Shareholders**") have each entered into voting support agreements (the "**Voting Support Agreements**") to vote their Common Shares in favour of the Arrangement subject to certain customary exceptions. The Supporting Shareholders hold, collectively, approximately 8.3% of the Common Shares (and 24.1% of the Common Shares after excluding the Common Shares held or controlled by the Excluded Shareholders and any other person required to be excluded under MI 61-101).

Arrangement Steps

Pursuant to the Arrangement, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two-minute intervals starting at the Effective Time:

(a) The Purchaser shall advance by way of a loan to the Company an amount equal to the aggregate amount of cash required to be paid by the Company to the applicable holders of the Company RSUs and the In-the-Money Company Options and the Company will deliver to the Purchaser a duly issued and executed demand interest-free promissory note having a principal amount equal to the amount so advanced.

(b) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by

the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(c) Each Out-of-the-Money Company Option, whether vested or unvested, that has not been duly exercised prior to the Effective Time shall be surrendered by the holder of such Out-of-the-Money Company Option to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Out-of-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Out-of-the-Money Company Option, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(d) Each Company RSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to the terms of the Plan of Arrangement, a cash payment from the Company equal to the Consideration per Company RSU, and each such Company RSU shall immediately be cancelled and terminated and, with respect to each Company RSU that is surrendered:

(i) the holder thereof shall cease to be the holder of such Company RSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company RSU, or under the Company Incentive Plan other than the right to receive the consideration to which such holder is entitled;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(e) Each Company PSU, other than the Arora PSUs, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company PSU to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company PSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company PSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(f) Each Company DSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company DSU to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company DSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company DSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(g) Each Company SAR, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company SAR to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company SAR;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company SAR, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(h) Each Company Restricted Share, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company Restricted Share to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company Restricted Share;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company Restricted Share, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(i) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3 and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares held by the Purchaser and the Excluded Shareholders, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company;

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(j) Each In-the-Money Company Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to the terms of the Plan of Arrangement, a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Common Share of such In-the-Money Company Option and each such In-the-Money Company Option shall immediately be cancelled and terminated and, with respect to each In-the-Money Company Option that is surrendered:

(i) the holder thereof shall cease to be the holder of such In-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such In-the-Money Company Option, or under the Company Incentive Plan, other than the right to receive the Consideration to which such holder is entitled;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(k) The Company Incentive Plan shall be terminated and be of no further force and effect.

(l) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00 without repayment of capital in respect thereof.

(m) The Company and ArrangeCo shall be amalgamated and continued as one corporation under the CBCA.

Upon completion of the above, the Common Shares shall be delisted from the TSX and the Company shall make an election to cease to be a "public corporation" under subsection 89(1) of the Tax Act.

Interest of Certain Persons in the Arrangement

In considering the recommendations of the Board with respect to the Arrangement, Shareholders should be aware that certain directors and senior officers of the Company have certain interests or benefits in connection with the Arrangement as described under "*The Arrangement – Interest of Certain Persons in the Arrangement*" that may be in addition to, or differ from, those of Shareholders generally in connection with the Arrangement. The Board is aware of these interests and considered them along with other matters described herein. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

Certain Legal Matters

Court Approvals

An arrangement under the CBCA requires sanction by the Court. On February 8, 2024, 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 and the Notice of Application for the Final Order are attached to this Circular as Appendices C and F, respectively.

If the Arrangement Resolution is approved by Shareholders 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 in respect of the Final Order is scheduled to take place before the Court of King's Bench of Manitoba located at 408 York Avenue, Winnipeg, Manitoba on March 19, 2024 at 9:00 a.m. (Central Time), or as soon after such time as counsel may be heard. See "*The Arrangement – Certain Legal Matters – Court Approvals*".

Securities Law Matters

The protections of MI 61-101, which are intended to ensure equality of treatment among securityholders, apply to a reporting issuer proposing to carry out a "business combination" (as defined in MI 61-101). The Arrangement is a "business combination" for purposes of MI 61-101 because, among other things, each of Fairfax (including the Excluded Shareholders other than Mr. Vibhore Arora) and Mr. Vibhore Arora is a "related party" of the Company and as a

consequence of the Arrangement, Fairfax will, directly or indirectly, own all of the Common Shares (other than the Excluded Shares owned by Mr. Vibhore Arora).

Accordingly, the requirements of MI 61-101 apply, including the requirements to obtain a formal valuation of the Common Shares from an independent valuator and majority approval of the Arrangement from the Minority Shareholders. See "*The Arrangement – Certain Legal Matters – Securities Law Matters*".

Arrangement Agreement

On January 22, 2024, the Company, the Purchaser and FFHL entered into the Arrangement Agreement, pursuant to which it was agreed, among other things, to implement the Arrangement in accordance with and subject to the terms and conditions contained therein and in the Plan of Arrangement. See "*Arrangement Agreement*" for a summary of the Arrangement Agreement. The full text of the Arrangement Agreement is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Risks Associated with the Arrangement

Shareholders should consider a number of risk factors relating to the Arrangement and the Company in evaluating whether to approve the Arrangement Resolution. These risk factors are discussed herein and/or in certain sections of documents publicly filed, which sections are incorporated herein by reference. See "*Risk Factors*".

Any failure to complete the Arrangement could materially and negatively impact the trading price of the Common Shares. You should carefully consider the risk factors described in the section "*Risk Factors*" in evaluating the approval of the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive.

Certain Canadian Federal Income Tax Considerations

Shareholders should carefully read the information in this Circular under "*Certain Canadian Federal Income Tax Considerations*" which qualifies the information set out below and should consult their own tax advisors.

Shareholders (other than Excluded Shareholders) who are residents of Canada for purposes of the Tax Act will generally realize a taxable disposition of their Common Shares under the Arrangement.

Shareholders who are not residents of Canada for purposes of the Tax Act and that do not use or hold, and are not deemed to use or hold, their Common Shares in a business carried out in Canada will generally not be subject to tax under the Tax Act on the disposition of their Common Shares under the Arrangement, provided they do not hold their Common Shares as "taxable Canadian property" (as defined in the Tax Act).

See "*Certain Canadian Federal Income Tax Considerations*" for a general summary of certain Canadian federal income tax considerations relevant to Shareholders (other than Excluded Shareholders). Such summary is not intended to be legal or tax advice. Shareholders should consult their own tax advisors as to the tax consequences of the Arrangement to them with respect to their particular circumstances.

Other Tax Considerations

This Circular does not address any tax considerations of the Arrangement other than certain Canadian federal income tax considerations for Shareholders (other than Excluded Shareholders). Shareholders who are residents in or otherwise subject to tax in jurisdictions other than Canada should consult their tax advisors with respect to the relevant tax implications of the Arrangement, including any associated filing requirements, in such jurisdictions. All Shareholders should also consult their own tax advisors regarding relevant provincial, territorial, local or other tax considerations of the Arrangement.

This Circular does not address any tax considerations of the Arrangement to holders of Incentive Securities. Such holders should consult their own tax advisors with respect to the tax implications of the Arrangement.

Depositary

Computershare Investor Services Inc. will act as the Depositary for the receipt of share certificates representing the Common Shares and related Letters of Transmittal and the payments to be made to the Shareholders (other than the Excluded Shareholders and the Dissenting Shareholders) pursuant to the Arrangement. See "*Depositary*".

INFORMATION CONCERNING THE MEETING AND VOTING

Purposes of the Meeting

The Meeting will be held for the for the following purposes:

1. to consider, and, if deemed advisable, to pass the Arrangement Resolution, the full text of which is outlined in Appendix A of this Circular; and

2. to transact such other business as may properly come before the Meeting or any adjournment or postponement(s) thereof.

Date, Time and Place of Meeting

The Meeting will be held on March 15, 2024 at 9:00 a.m. (Central Time) exclusively in virtual format.

In order to provide Shareholders with equal opportunity to participate in the Meeting regardless of geographic location and equity ownership, the Company is conducting the Meeting exclusively in virtual format. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at https://meetnow.global/MST6NUH to participate, vote or submit questions during the Meeting's live webcast. Non-Registered Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to attend the Meeting as guests.

As the vast majority of Shareholders typically vote by proxy in advance of Farmers Edge's Shareholder meetings, you are encouraged to vote by proxy ahead of the Meeting. Management requests that you sign and return the enclosed form of proxy ("**Proxy**") or voting instruction form ("**VIF**") so that your votes are exercised at the Meeting. Participating at the Meeting online allows Registered Shareholders as well as duly-appointed proxyholders, including Non-Registered

Shareholders who have appointed themselves or another person as a proxyholder, to participate at the Meeting and ask questions, all in real-time. Registered Shareholders and duly-appointed proxyholders can vote at the appropriate time during the Meeting. Any vote cast at the Meeting will revoke any proxy or vote previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.

The Meeting will be held as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the meeting in person. A summary of the information Shareholders will need to attend the Meeting online is provided below.

Solicitation of Proxies

Management is soliciting the enclosed Proxy for use at the Meeting and at any adjournment or postponement thereof. The Company will bear the cost of soliciting Proxies. The Company will reimburse brokers, custodians, nominees and other fiduciaries for their reasonable charges and expenses incurred in forwarding proxy material to beneficial owners of Common Shares. In addition to solicitation by mail, certain of the Company's officers and employees may solicit proxies personally or by a means of telecommunication. These persons will receive no compensation beyond their regular salaries for so doing.

Record Date

The Board has fixed the close of business on February 6, 2024 as the record date (the "**Record Date**") for the purpose of determining Shareholders entitled to receive the Notice of Meeting and vote at the Meeting. See "*Voting Shares and Principal Holders Thereof*" below for a description of the voting rights attached to the Common Shares.

Voting by Proxy Before the Meeting

You may vote before the Meeting by completing your Proxy or VIF in accordance with the instructions provided therein. Non-Registered Shareholders should also carefully follow all instructions provided by their Intermediaries to ensure that their Common Shares are voted at the Meeting.

A properly executed Proxy delivered to the Company's transfer agent, Computershare, at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (if delivered by mail or by hand); at (416) 263-9524 or (866) 249-7775 (if delivered by fax); by telephone at 1-866-732-8683 toll free; or by Internet at www.investorvote.com, so that it is received before 9:00 a.m. (Central Time) on March 13, 2024, or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such meeting; or to the chair or secretary of the Meeting for which the Proxy is given before the time of voting, will be voted for or against the Arrangement Resolution, as appropriate, at the Meeting and, if a choice is specified in respect of any matter to be acted upon, will be voted in accordance with the direction given. In the absence of such direction, such Proxy will be voted for the Arrangement.

The enclosed Proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, Management knows of no such amendments, variations or other matters.

The persons named in the enclosed proxy are two of the Company's officers. If you wish to appoint some other person to represent you at the Meeting, you may do so either by inserting such other person's name in the blank space provided in the enclosed Proxy or by completing another form of Proxy. Such other person need not be a Shareholder. **If you do not specify how you want your Common Shares voted, the individuals named as proxyholders in the Proxy intend to cast the votes represented by Proxy at the Meeting FOR the Arrangement Resolution.**

Registered Shareholders

You are a registered shareholder (a "**Registered Shareholder**") if your name appears on a share certificate confirming your holdings. If you are a Registered Shareholder, you have received a Proxy for this Meeting.

Non-Registered Shareholders

Under governing law, only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, the Company's Common Shares beneficially owned by a holder (a "**Non-Registered Shareholder**") are registered either:

(a) in the name of an intermediary that the Non-Registered Shareholder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers, brokers, or trustees or administrators of self-administered "RRSPs", "RRIFs", "RESPs" (each as defined in the Tax Act) and similar plans (an "**Intermediary**"); or

(b) in the name of a depository (such as CDS Clearing and Depository Services Inc. or Depository Trust Company).

In accordance with Securities Laws, the Company is distributing copies of this Circular and VIF to Intermediaries for onward distribution to Non-Registered Shareholders. The costs of soliciting proxies and printing and mailing this Circular in connection with the Meeting, which are expected to be nominal, will be borne by the Company.

Intermediaries are required to forward meeting materials to Non-Registered Shareholders. Very often, Intermediaries will use service companies to forward the meeting materials to Non-Registered Shareholders. Non-Registered Shareholders will:

(a) be given a Proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. This Proxy need not be signed by the Non-Registered Shareholder. In this case, the Non-Registered Shareholder who wishes to submit a Proxy should otherwise properly complete the Proxy and deposit it as described above; or

(b) more typically, receive, as part of the meeting materials, a VIF which must be completed, signed and delivered by the Non-Registered Shareholder in accordance with the directions on the VIF (which may in some cases permit the completion of the VIF by telephone or through the Internet).

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives either a Proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the Proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the Proxy or the VIF is to be delivered.**

How to Revoke a Proxy

A Registered Shareholder who has given a Proxy may revoke such Proxy by: (a) completing and signing a proxy bearing a later date and depositing it with Computershare in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's personal representative authorized in writing (i) to Computershare no later than 9:00 a.m. (Central Time) on March 13, 2024 or in the event that the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays, and holidays, before any reconvened Meeting, (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (iii) in any other manner permitted by law. In addition, if you are a Registered Shareholder, once you join the Meeting online and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted Proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted proxy will remain valid.

Non-Registered Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their Intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures.

How to Appoint a Proxyholder

The following applies to Shareholders who wish to appoint a person (a "**third party proxyholder**") other than the management nominees identified in the Proxy or VIF as proxyholder, including Non-Registered Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to attend and participate at the Meeting as their proxyholder and vote their Common Shares **MUST** submit their Proxy or VIF, as applicable, appointing that person as proxyholder **AND** register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your Proxy or VIF. **Failure to register the proxyholder will result in the proxyholder not receiving an invite code that is required to vote at the Meeting and only being able to attend as a guest.**

- **Step 1: Submit your Proxy or VIF**: To appoint a third-party proxyholder, insert that person's name in the blank space provided in the Proxy or VIF (if permitted) and follow the instructions for submitting such Proxy or VIF. This must be completed before

registering such proxyholder, which is an additional step to be completed once you have submitted your Proxy or VIF.

- **Step 2: Register your proxyholder**: To register a third-party proxyholder, Shareholders must visit http://www.computershare.com/farmersedge by no later than 9:00 a.m. (Central Time) on March 13, 2024 (the "**proxy voting deadline**") and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with an invite code via email. **Without an invite code, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.**

If you are a Non-Registered Holder located in the United States and wish attend and vote at the virtual Meeting, you must first obtain a valid legal Proxy from your broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker, bank or other agent to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to:

Computershare
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1

OR

Email at: uslegalproxy@computershare.com

Requests for registration must be labeled as "Legal Proxy" and be received no later than March 13, 2024 by 9:00 a.m. (Central Time), or in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of such Meeting. You will receive a confirmation of your registration by email after Computershare receives your registration materials. You may attend the meeting and vote your shares at https://meetnow.global/MST6NUH during the Meeting. Please note that you also must register your appointment at http://www.computershare.com/farmersedge so that Computershare may provide the proxyholder with an invite code. **Without an invite code, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.**

How to Attend and Participate at the Virtual Only Meeting

The Company is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), Shareholders must have a valid 15-digit control number or invite code.

Attending the Meeting online enables Registered Shareholders and duly appointed proxyholders, including Non-Registered Shareholders who have duly appointed themselves or third party proxyholders, to participate at the Meeting, ask questions and vote, all in real time.

Registered Shareholders and duly appointed third party proxyholders can vote at the appropriate times during the Meeting.

Guests, including Non-Registered Shareholders who have not duly appointed a third-party proxyholder, can join the Meeting online as set out below. Guests can listen to the Meeting but are not able to vote or ask questions.

In order to participate in the Meeting, Registered Shareholders must have a valid 15-digit control number and duly appointed proxyholders must have received an email from Computershare containing an invite code. To attend the meeting, Registered Shareholders, duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder) and guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder) must log in online as set out below:

Step 1: Join the Meeting online at: https://meetnow.global/MST6NUH. It is recommended that you join at least fifteen minutes before the meeting starts, but you will be able to log in up to 60 minutes prior to the start of the Meeting. If you have any difficulties logging in during the 60 minutes before the Meeting, you will be able to contact Computershare at the toll-free telephone number posted on the login screen.

Step 2: Follow the instructions below:

Registered shareholders: To join, you must have a control number. Once the webpage above has loaded into your web browser, click "Join Meeting Now" then select "Shareholder" on the login screen and enter your 15-digit control number. The 15-digit control number is located on your form of proxy or in the email notification you received from Computershare. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the meeting.

Duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder): To join, you must have an invite code. Once the webpage above has loaded into your web browser, click "Join Meeting Now" then select "Invitation" on the login screen and enter your invite code. Proxyholders who have been duly appointed and registered with Computershare as described in "*Appointment of a Third Party as Proxy*" above will receive an invite code by email from Computershare after the proxy voting deadline has passed.

Guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder): To join, follow the login link above. Once the webpage has loaded into your web browser, select "Guest" on the login screen. As a guest, you will be prompted to enter your name and email address. Non-Registered Holders who have not appointed themselves as proxyholder must attend the meeting as guests. Guests can listen to the Meeting but are not able to vote or ask questions.

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences, if you wish to do so. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure. For more information about accessing and participating in the Meeting online, Shareholders are

encouraged to consult the document entitled "How to Participate in the Meeting Online" available on SEDAR+ and on the Company's website at www.farmersedge.ca.

General Proxy Matters

If you are not sure whether you are a Registered Shareholder or a Non-Registered Shareholder or, for additional information regarding submissions of Proxies or VIFs before the Meeting, proxy voting deadline, revocation of Proxies and other general Proxy matters, please see "*Non-Registered Shareholders*" above or contact Computershare:

Phone: 1-800-564-6253 (toll-free in Canada and the United States)
514-982-7555 (from outside Canada and the United States)

Fax: 1-888-453-0330 (toll-free in Canada and the United States)
514-982-7635 (from outside Canada and the United States)

Mail: 100 University Avenue, 8th Floor, Toronto ON M5J 2Y1

E-mail: Service@Computershare.com

Voting Shares and Principal Holders Thereof

As of January 22, 2024, the Company has 42,038,548 Common Shares outstanding. Each Common Share carries one (1) vote per share at all meetings of Shareholders.

Each holder of the Common Shares of record as of the Record Date will be entitled to vote at the Meeting or any adjournment or postponement thereof, either in person or by proxy. At least two shareholders, representing in person or by proxy at least 25% of the Company's outstanding voting shares constitute a quorum at any meeting of Shareholders.

As of January 22, 2024, Fairfax owns 25,718,393 Common Shares, representing approximately 61.2% of the total votes attached to the Common Shares.

The Company, Osmington, Fairfax and any affiliates thereof who become a shareholder of the Company from time to time are parties to an investor rights agreement dated March 3, 2021 ("**Investor Rights Agreement**"), a copy of which was filed on SEDAR+ on the same date. Under the terms of the Investor Rights Agreement, Fairfax and Osmington have certain rights, including the right to nominate Directors to the Board, based on their associated ownership of Common Shares. Currently, Fairfax has the right to nominate three directors to the Board and Osmington does not have the right to nominate any directors to the Board. Particulars of the nomination rights of Fairfax and Osmington are set out in the Investor Rights Agreement.

To the knowledge of the directors and executive officers of the Company, no person other than Fairfax beneficially owns, directly or indirectly, or exercises control or direction over Common Shares carrying more than 10% of the voting rights attached to the Common Shares which may be voted at the Meeting or any adjournment or postponement thereof.

Dissent Rights

Registered Shareholders have been provided with the right to dissent in respect of the Arrangement Resolution in the manner provided in section 190 of the CBCA, as modified by the

Interim Order and the Plan of Arrangement. See "*Dissenting Shareholders' Rights*" for more information.

THE ARRANGEMENT

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below.

In order to become effective, the Arrangement must be approved:

(a) at least two-thirds (2/3) of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101.

A copy of the Arrangement Resolution is set out in Appendix A to this Circular. To the knowledge of the Company, after reasonable inquiry, of the 42,038,548 Common Shares issued and outstanding as at January 22, 2024, 15,909,667 Common Shares can be voted in respect of the minority approval threshold under MI 61-101. See "*The Arrangement – Certain Legal Matters – Securities Law Matters – Minority Vote*".

Overview

The Arrangement will be effected pursuant to the terms of the Arrangement Agreement, which provides for, among other things, the acquisition by the Purchaser of all of the issued and outstanding Common Shares by way of a statutory plan of arrangement under section 192 of the CBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Excluded Shareholders), except for the Dissenting Shareholders, will receive $0.35 in cash per Common Share.

Background to the Arrangement

The provisions of the Arrangement Agreement, together with the Voting Support Agreements executed concurrently therewith, are the result of arm's length negotiations conducted among representatives of Hamblin Watsa Investment Counsel Ltd. ("**HWIC**") (on behalf of Fairfax), the Special Committee and the Company, with the assistance of their respective legal and financial advisors. The following is a summary of the material events leading up to the negotiation of the Arrangement Agreement and other transaction documents and the public announcement of the Arrangement.

Throughout the Special Committee's process, in addition to its formal meetings, the Special Committee members had numerous additional informal discussions among themselves, as well as with their independent legal and financial advisors and the Company's management. Except as described below, none of the representatives of Fairfax (including any of its nominees to the Board) were present during any of the Special Committee's meetings or participated in the Special Committee's decision-making process.

On November 16, 2023, William McFarland, Chair of the Board, received a letter (the "**Letter of Intent**") from HWIC, as investment manager on behalf of certain controlled affiliates of FFHL, presenting a non-binding proposal for the direct or indirect acquisition by Fairfax of all of the outstanding Common Shares, other than those directly or indirectly owned by Fairfax, at a price per Common Share of $0.25, payable in cash, subject to the terms and conditions in the Letter of Intent.

At a Board meeting held on November 16, 2023, the Board discussed the Letter of Intent and whether it warranted further evaluation by the Board. After deliberating, with the assistance of McCarthy Tétrault LLP, the Company's counsel ("**McCarthy**"), the Board (with Mr. R. William McFarland and Mr. Quinn McLean, as interested directors, abstaining) unanimously resolved to form the Special Committee with a mandate to, among other things, consider, evaluate and negotiate the Arrangement and any reasonable alternatives to the Arrangement that may be available to the Company (including, without limitation, the *status quo*). The Special Committee's mandate is described further below under the heading "*Recommendation of the Special Committee*".

Following the Board meeting, on November 16, 2023, the Company issued a news release publicly disclosing the material terms of the Letter of Intent (including the proposed price per Common Share) and the formation of the Special Committee.

On November 17, 2023, Mr. Mills contacted representatives of BMO Nesbitt Burns Inc. ("**BMO**") about the possibility of BMO acting as independent valuator and financial advisor to the Special Committee.

On November 22, 2023, Mr. Mills contacted representatives of Goodmans LLP ("**Goodmans**") about the possibility of Goodmans acting as independent legal counsel to the Special Committee.

On November 24, 2023 the Special Committee held its first meeting. At the meeting, after satisfying itself that Goodmans did not have any material relationship with Fairfax or the Company's management, the Special Committee resolved to retain Goodmans as its independent legal advisor. Goodmans provided the Special Committee with advice concerning the Special Committee's mandate, the duties and responsibilities of the Special Committee in discharging its mandate and the legal requirements of the Arrangement (including the application of MI 61-101). BMO made a presentation to the Special Committee regarding its qualifications to act as independent valuator and financial advisor to the Special Committee and its independence in relation to Fairfax and the Company's management. After considering BMO's qualifications and independence *in camera* with Goodmans, the Special Committee determined it was unnecessary to interview any other potential financial advisors and resolved to engage BMO as its independent valuator and financial advisor, subject to negotiating an acceptable engagement letter and confirming the extent of BMO's banking, investment banking and other commercial relationships with Fairfax and the Company.

Following the meeting, in response to an inquiry from Mr. Mills on behalf of the Special Committee, Mr. R. William McFarland advised Mr. Mills that Fairfax was not interested in considering third party offers to acquire its interest in the Company at this time. Accordingly, the Special Committee determined, after consulting with Goodmans, that a sale of the Company to an arm's length third party was not an available strategic alternative in the circumstances and, accordingly, determined not to solicit acquisition proposals from third parties as part of its process.

The Special Committee (other than Mr. Borel) met on November 28, 2023 with BMO and Goodmans. During the meeting, BMO made a presentation about the process and anticipated timing for completing its analysis, including the information it needed in order to complete its analysis. Following the meeting, Mr. Mills requested that the Company's management provide BMO with the information that it needed in order to complete its analysis.

Between November 28 and December 6, 2023, BMO reviewed extensive information and engaged in discussions with management regarding the Company and its business, operations, properties, assets, financial performance and condition, operating results and prospects, including the information described in the Formal Valuation and Fairness Opinion attached as Appendix E. Among other things, BMO analyzed (i) the financial terms of the Letter of Intent, (ii) the value of the Common Shares using a variety of valuation methodologies, and (iii) the prospects of the Company based on the continued execution of the Company's strategic plan.

On November 29, 2023, representatives of Fairfax notified McCarthy that Fairfax had reached out to one of the Company's institutional shareholders to seek its support for the Arrangement if the Special Committee and the Board ultimately approved the Arrangement, and advised McCarthy that it wished to reach out to a second institutional shareholder. McCarthy promptly notified Goodmans of this request.

The Special Committee met on December 6, 2023 to receive a status update from BMO and to consider additional information about BMO's banking, investment banking and other commercial relationships with Fairfax and the Company during the previous 24 months. The Special Committee affirmed its previous conclusion that BMO was independent of Fairfax and the Company. During the meeting, the Special Committee also discussed Fairfax's proposal to engage in discussions with certain of the Company's institutional shareholders about the possibility of those shareholders entering into voting support agreements with respect to the Arrangement. After consulting with Goodmans, the Special Committee concluded that it was reasonable for Fairfax to engage in those discussions while the Special Committee continued to evaluate and negotiate the Arrangement, provided the Special Committee was kept apprised of the discussions and had an opportunity to review the terms of the Voting Support Agreements.

Between December 6 and December 19, 2023, BMO reviewed additional information regarding the Company, including management's forecast for the business for 2024, and continued its financial analysis.

On December 7, 2023, Fairfax extended the expiry of the Letter of Intent until December 22, 2023, in order to provide BMO with sufficient time to conduct its financial analysis and to permit the Special Committee sufficient time to deliberate with its independent legal and financial advisors.

On December 12, 2023, at the direction of the Special Committee, the Company and BMO entered into an engagement letter setting out the terms and conditions of BMO's engagement. The terms of BMO's engagement are described in detail under the heading "*Formal Valuation and Fairness Opinion – Mandate and Professional Fees*" below.

On December 18, 2023 Mr. R. William McFarland provided an update to Mr. Mills regarding the status of Fairfax's negotiation of the Voting Support Agreements. Mr. R. William McFarland advised Mr. Mills that it was Fairfax's desire that Mr. Vibhore Arora, the Company's Chief Executive Officer, retain his equity interest in the Company (including his Common Shares and the Arora PSUs) following closing of the Arrangement, given Mr. Vibhore Arora's leadership

continuing role following closing of the Arrangement. Mr. R. William McFarland also outlined Fairfax's proposal for the treatment of the Company's other Incentive Securities.

The Special Committee met on December 19, 2023 with Goodmans and BMO to receive a presentation from BMO summarizing its financial analysis to date. Following BMO's presentation, the Special Committee resolved to request that management update its forecast to include the Company's forecasted financial results for periods beyond fiscal 2024, in order to permit BMO to conduct a discounted cash-flow analysis as part of its valuation of the Common Shares. During this meeting, the Special Committee received an update regarding Fairfax's proposal for the treatment of the Company's Incentive Securities, including Fairfax's request that Mr. Vibhore Arora's retain his equity interest in the Company. After receiving legal advice from Goodmans, the Special Committee concluded that it was reasonable for Fairfax to request that Mr. Vibhore Arora retain his equity interest in the Company given his continuing role with the Company following closing, and that this differential treatment was not unfair to the Minority Shareholders. The Special Committee deferred a decision about the treatment of the Company's other Incentive Securities under the Arrangement until it received additional information about the terms of those securities.

Between December 19, 2023 and January 5, 2024 the Company's management prepared and provided to BMO an extended forecast that included fiscal 2024 to 2028, and engaged in numerous discussions with BMO about the updated forecast. BMO carefully analyzed the management's extended forecast, including conducting its own assessing the assumptions underlying the forecast and comparing the forecast to analyst estimates.

On December 21, 2023, Fairfax extended the expiry of the Letter of Intent until January 2, 2024 in order to provide BMO with additional time to review and analyze management's extended forecast and to permit the Special Committee sufficient time to deliberate with its independent legal and financial advisors.

On December 28, 2023, Torys LLP, counsel for Fairfax ("**Torys**") delivered a draft of the Arrangement Agreement to McCarthy, which was promptly shared with Goodmans.

On January 2, 2024, Fairfax extended the expiry of the Letter of Intent until January 5, 2024 in order to provide BMO with time to finalize its financial analysis and to permit the Special Committee sufficient time to deliberate with its independent legal and financial advisors.

On January 5, 2024, the Special Committee met with Goodmans and BMO to receive a detailed presentation regarding BMO's preliminary financial analysis. As part of this presentation, BMO provided a summary of management's extended forecast (including the underlying assumptions) and explained its financial analysis and valuation methodologies in detail. BMO advised the Special Committee that, based on its analysis to date, it expected its range of fair market values for the Common Shares to be between $0.05 and $0.45 per Common Share. The Special Committee also received initial feedback on the draft Arrangement Agreement from Goodmans. The Special Committee, with the assistance of BMO and Goodmans, engaged in extensive deliberations about the relative benefits and risks of the Arrangement as compared to the *status quo*. After considering advice from BMO and Goodmans, the Special Committee determined that it was in the best interests of the Company and the Minority Shareholders to enter into the Letter of Intent and to continue to evaluate and negotiate the Arrangement, subject to Fairfax agreeing to increase the proposed purchase price to $0.35 per Common Share.

Following the meeting, Mr. Mills communicated the Special Committee's conclusions and counter-proposal to representatives of Fairfax. On January 6, 2024, after a series of discussions between Mr. Mills, BMO and representatives of Fairfax, Fairfax agreed to increase the purchase price to $0.35 per Common Share. Accordingly, the Special Committee unanimously recommended that the Board authorize the Company to enter into a revised Letter of Intent reflecting the increased purchase price. The Board provided such authorization and the Company executed the revised Letter of Intent after the close of markets on January 7, 2024. The Company publicly announced the increased purchase price and the executed Letter of Intent before markets opened on January 8, 2024.

On January 9, 2024, the Special Committee met with Goodmans and BMO to review the draft Arrangement Agreement in detail. During the meeting, Goodmans explained the key legal issues to be negotiated with Fairfax and potential negotiating positions that the Company could take. The Special Committee deliberated and provided instructions to Goodmans about the approach to negotiating each of these issues. Following that meeting, Goodmans provided the Special Committee's feedback to McCarthy to incorporate into the Arrangement Agreement.

Between January 10 and January 22, 2024, McCarthy and Goodmans (in consultation with the Company and the Special Committee) on the one hand, and Torys (in consultation with Fairfax) on the other hand, negotiated the terms of the Arrangement Agreement and the Voting Support Agreements. Fairfax agreed to a number of changes requested by the Special Committee and the Company that made the terms and conditions of the Arrangement more favourable to the Company and the Minority Shareholders, including substantially all of the changes requested by the Special Committee.

During this period, BMO received additional information from the Company and finalized its financial analysis. Also during this period, the Special Committee, with the assistance of Goodmans and BMO, continued to evaluate the relative benefits and risks associated with the Arrangement as compared to the Company remaining an independent public company, including the factors set out below, in order to be in a position to make a final recommendation to the Board about whether or not the Arrangement was in the best interests of the Company and fair to the Minority Shareholders and whether the Board should recommend that the Minority Shareholders vote in favour of the Arrangement Resolution.

On January 22, 2024, the Special Committee met to consider whether to recommend that the Board approve the Arrangement. During the meeting, the Special Committee received advice from Goodmans with respect to the duties and responsibilities of the Special Committee in making its determinations and recommendations to the Board, as well as the final terms of the Arrangement Agreement. BMO orally delivered its formal valuation of the Common Shares, being a range of $0.05 to $0.45 per Common Share, and delivered its oral fairness opinion to the effect that, subject to the assumptions, limitations and qualifications set forth in the Formal Valuation and Fairness Opinion attached as Appendix E, as of January 22, 2024, the consideration to be received by the Minority Shareholders pursuant to the Arrangement was fair, from a financial point of view, to the Minority Shareholders. The Special Committee engaged in a final review and deliberation of the relative benefits and risks associated with the Arrangement as compared to the *status quo*, including the factors set out below. After considering advice from Goodmans and BMO, the Special Committee unanimously resolved to make the recommendations set forth below.

Following the Special Committee meeting, the Board met after the close of markets on January 22, 2024, with McCarthy. McCarthy provided a summary of the Arrangement Agreement,

the Voting Support Agreements and related documentation. Mr. Mills delivered the Special Committee's final report and recommendation. After considering the final terms and conditions of the Arrangement, the Formal Valuation and Opinion, the recommendation of the Special Committee and the other factors identified under the heading "*The Arrangement – Reasons for the Recommendation*", the Board unanimously determined to make the determinations and recommendations set out below under the heading "*The Arrangement – Board Recommendation*".

In the evening of January 22, 2024, following the meeting of the Board, the Arrangement Agreement and other transaction documents were finalized and executed, and a news release announcing the Arrangement and the entering into of the Arrangement Agreement was issued.

Subsequent to the execution of the Arrangement Agreement, the Company, the Purchaser and the Guarantor agreed to certain updates to the Plan of Arrangement in connection with the Purchaser's request to reduce the number of transfers by Excluded Shareholders. The full text of the Plan of Arrangement, reflecting such agreed-upon updates, is attached to this Circular as Appendix B.

On February 6, 2024, the Board approved this Circular and certain other procedural matters related thereto and to the Meeting.

Recommendation of the Special Committee

The Special Committee was formed on November 16, 2023 and is comprised of the following independents directors: Steven Mills (Chair), James Borel and Natacha Mainville, Each member of the Special Committee is independent (including of Fairfax) for purposes of MI 61-101.

The review and assessment of the Letter of Intent, which resulted in the Arrangement, was conducted under the supervision of the Special Committee in accordance with its mandate, which authorized the Special Committee, among other things, to: (i) consider whether it would be in the best interests of the Company to pursue the Letter of Intent or any alternatives to the Letter of Intent available to the Company in the circumstances that may enhance value to Shareholders (other than the Excluded Shareholders); (ii) to negotiate or supervise the negotiation of, and assess, consider and review the terms of, the Letter of Intent or any alternative, and any agreement to be entered into between the Company and any other party in respect of such alternative; (iii) to conduct and carry out the Letter of Intent or any alternative, to the extent applicable, in compliance with the requirements set out in MI 61-101, including if necessary retaining an independent valuator to prepare a formal valuation; and (iv) to, if deemed advisable, provide a recommendation to the Board as to whether any potential transaction would be in the best interests of the Company and should be pursued and recommended for approval by the Shareholders. The Special Committee was also authorized, pursuant to its mandate, to retain financial and legal advisors to assist it in its review of the Letter of Intent and any alternatives thereto.

Each member of the Special Committee has entered into a Voting Support Agreement, pursuant to which such member has agreed to vote all of his or her Common Shares in favour of the Arrangement Resolution.

The Special Committee, having undertaken a thorough review of, and having carefully considered the terms of the Arrangement, the Arrangement Agreement, the Voting Support

Agreements and a number of other factors, including, without limitation, those listed under "*The Arrangement – Reasons for the Recommendation*", and after consulting with BMO and Goodmans, including receiving the Formal Valuation and Fairness Opinion (see "*The Arrangement – Formal Valuation and Fairness Opinion*"), has unanimously determined: (i) that the Arrangement is in the best interests of the Company; (ii) that the consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Arrangement is fair to the Shareholders (other than the Excluded Shareholders); (iii) to recommend that the Board approve the Arrangement and the entering into by the Company of the Arrangement Agreement; and (iv) to recommend that the Board recommend to Shareholders that they vote in favour of the Arrangement Resolution.

Recommendation of the Board

The Board (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining), having taken into account such factors and matters as it considered relevant including, among other things, the recommendation of the Special Committee, determined that the Arrangement is (i) in the best interest of the Company, and (ii) fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders). Accordingly, the Board (with Mr. R. William McFarland, Mr. Vibhore Arora and Mr. Quinn McLean, the interested directors, abstaining) recommends that the Shareholders vote **FOR** the Arrangement Resolution (the "**Board Recommendation**").

In forming its recommendation, the Board considered a number of factors, including, without limitation, the recommendation of the Special Committee and the factors listed below under "*The Arrangement – Reasons for the Recommendation*". The Board based its recommendation upon the totality of the information presented to and considered by it in light of the knowledge of members of the Board of the business, financial condition and prospects of the Company and after taking into account the advice of the Company's financial, legal and other advisors and the advice and input of management of the Company.

Reasons for the Recommendation

With the assistance of its independent financial and legal advisors, the Special Committee carefully considered a number of factors relating to the Arrangement, including those listed below. The Special Committee's recommendation is based upon the totality of the information presented to and considered by it. In light of the variety of factors considered in connection with the Special Committee's evaluation of the Arrangement, the Special Committee did not find it practicable to, and did not attempt to, quantify or otherwise assign any relative weight to the various factors that it considered in making its recommendations.

The following includes forward-looking information and readers are cautioned that actual results may vary. See "*Forward-Looking Information*" and "*Risk Factors*".

In making its recommendation to the Board, the Special Committee considered and relied upon a number of substantive and procedural factors, including, among others, the following:

- Compelling Value Relative to Strategic Alternatives. Prior to entering into the Arrangement Agreement, the Special Committee, with the assistance of its independent financial and legal advisors, assessed the relative benefits and risks of various alternatives to the Arrangement. In that regard, Fairfax directly and indirectly owns and controls approximately 61.2% of the Common Shares as of January 22,

2024. As Fairfax has indicated that it is not interested in considering third-party offers to acquire its interest in the Company at this time, with the principal alternative to the Arrangement being maintaining the *status quo* and executing the Company's current strategic plan. Given the Company's financial condition and its reliance on Fairfax's continued financial support, the Special Committee concluded that there was a substantial risk, absent the Arrangement, that Minority Shareholders would never have the opportunity to receive value greater than $0.35 per Common Share if the Company remained an independent public company. Based upon the Special Committee's knowledge of the Company's business, operations, financial condition and prospects, the Special Committee concluded that the Arrangement is more favourable to Minority Shareholders than any other strategic alternative reasonably available to the Company, including the *status quo*.

- Significant Premium to Unaffected Market Price. The value of the Consideration offered to Shareholders under the Arrangement represents a premium of 218% to the closing and to the 20-day volume weighted average price per Common Share on the TSX, in each case as of November 15, 2023, being the last trading day prior to the announcement of a non-binding proposal by Fairfax to the Company.

- Certainty of Value and Liquidity. The Consideration being offered to Shareholders under the Arrangement is all cash and is not subject to any financing condition, which provides certainty of value and liquidity. If the Arrangement does not proceed, the trading price of the Common Shares is likely to decline materially below $0.35 per Common Share, and the low historical trading volume of the Common Shares is likely to limit alternative opportunities for liquidity for the Shareholders.

- Arm's Length Negotiations. The terms of the Arrangement and the Arrangement Agreement are the result of an arm's-length negotiation process between the Special Committee, with input from and consultation with its independent financial and legal advisors, on the one hand, and Fairfax and its advisors, on the other hand. The Consideration reflects a 40% increase to the original purchase price following the successful negotiations of the Special Committee.

- Independent Valuation and Fairness Opinion. On January 22, 2024 (the date that the Company entered into the Arrangement Agreement), BMO, the Special Committee's independent financial advisor, submitted a formal valuation of the Common Shares in accordance with MI 61-101, concluding that, as of January 22, 2024, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the fair market value of the Common Shares was in the range of $0.05 to $0.45 per Common Share. The Consideration being offered to the Shareholders (other than the Excluded Shareholders) under the Arrangement is in the upper third of BMO's valuation range. In addition, on January 22, 2024, BMO delivered a fairness opinion to the Special Committee, pursuant to which it concluded that, as of January 22, 2024, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) under the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders).

- Certainty of Funding during Arrangement Agreement. Fairfax has committed to provide the Company with sufficient funds to conduct its ordinary course of business operations for the duration of the term of the Arrangement Agreement, which is expected to allow the Company to continue to conduct its business in compliance with

the terms of the Arrangement Agreement until closing of the Arrangement (or earlier termination of the Arrangement Agreement).

- Arrangement Agreement Terms. The terms and conditions of the Arrangement Agreement are, in the judgment of the Special Committee, following consultations with its and the Company's legal advisors, reasonable and were the result of extensive and arm's length negotiations. In particular:

    - Limited Conditions to Closing. The Purchaser's obligation to complete the Arrangement is subject to a limited number of conditions that the Special Committee and the Board believe are reasonable in the circumstances and the completion of the Arrangement is not subject to a due diligence or financing condition.

    - Ability to Change Recommendation. Subject to certain terms and conditions, the Board (excluding directors who are directors, officers or employees of Fairfax) may change its recommendation to Shareholders regarding the Arrangement as required in connection with its fiduciary duties, and the Company is not required to pay Fairfax a fee if the Board changes its recommendation.

    - Unconditional Guarantee. FFHL, which the Special Committee determined is a creditworthy entity, has provided an unconditional guarantee, in favour of the Company, of the due and punctual performance by the Purchaser of its respective covenants and obligations under the Arrangement Agreement, including the obligation to pay the aggregate Consideration payable by the Purchaser pursuant to the Arrangement Agreement and the Plan of Arrangement.

- Special Committee Oversight. The Special Committee, which is comprised entirely of independent directors and was advised by experienced and qualified independent financial and legal advisors, oversaw, reviewed and considered, and directly participated in the negotiation of, the Arrangement Agreement. The Special Committee and its independent legal and financial advisors engaged in extensive analysis and robust negotiations in an attempt to obtain the best available terms for the Company and the Shareholders (other than the Excluded Shareholders), and successfully negotiated a 40% increase to the original purchase price.

- Court and Shareholder Approval Required. Completion of the Arrangement is subject to the following shareholder and court approvals:

    - at least two-thirds (2/3) of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting;

    - a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101; and

    - a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to Shareholders and other affected persons.

- Dissent Rights. Registered Shareholders will be granted the right to dissent with respect to the Arrangement, which provides them with the right to demand payment of the fair value for their Common Shares, as determined by the Court.

- Other Stakeholders. The Special Committee also considered, in consultation with its and the Company's legal advisors, the impact of the Arrangement on the Company's various stakeholders. In particular, the Special Committee took into account:

    - Employees. The potential impact of the Arrangement on the Company's employees.

    - Treatment of Options, RSUs and PSUs. The treatment of options, restricted share units and performance share units under the Arrangement.

In making its recommendation with respect to the Arrangement, the Special Committee also considered a number of potential risks and potential negative factors, which the Special Committee concluded were outweighed by the positive substantive and procedural factors described above, including, among others, the following:

- No Continuing Interest of Shareholders. Following the Arrangement, the Company will no longer exist as a public company, the Common Shares will be delisted from the TSX and the Shareholders (other than the Excluded Shareholders) will forgo any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans. However, as described above, the Special Committee concluded that there was a substantial risk, absent the Arrangement, that Shareholders would never have the opportunity to receive value greater than $0.35 per share if the Company remained an independent public company.

- No Broad Public Sale Process or Auction. Given that any alternative transaction can only be completed with the consent of Fairfax, and Fairfax advised the Special Committee that is it not interested in considering third party offers to acquire its interest in the Company at this time, the Company has not solicited offers from third parties for alternative transactions and the Arrangement Agreement prohibits the Company from soliciting alternative transactions between signing the Arrangement Agreement and closing.

- Risks to the Business of Non-Completion. There are risks to the Company if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement, the significant attention required of management to implement the Arrangement, the potential impact on the Company's current business operations and relationships (including with future and prospective employees, customers, distributors, suppliers and partners) and Fairfax no longer providing the Company with sufficient funds to conduct its ordinary course of business operations beyond its existing commitments.

- Conditions to Closing. Although limited, there are conditions to the obligation of the Purchaser to complete the Arrangement, and certain of the conditions to closing are outside the control of the Company. In addition, the Purchaser has the right to terminate the Arrangement Agreement in certain circumstances.

- Restrictions on Operations. The Arrangement Agreement imposes various restrictions on the conduct of the Company's business during the period between the entering into of the Arrangement Agreement and the consummation of the Arrangement.

- Interest of Certain Persons. In connection with the Arrangement, certain of the Company's senior officers may be entitled to receive collateral benefits (as such term is defined under MI 61-101) that differ from, or are in addition to, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) under the Arrangement. In addition, certain directors of the Company (including the members of the Special Committee) own Company Options that, in accordance with the terms of the Arrangement Agreement, will vest and be paid out (based on the $0.35 purchase price per share payable to Minority Shareholders), although the Special Committee determined that these benefits were not material and do not constitute "collateral benefits" within the meaning of MI 61-101.

- Risks of Remaining Stand-Alone Public Company. If the Arrangement Agreement is terminated, there is no assurance that the continued operation of the Company under its current business model will yield equivalent or greater value to Shareholders compared to that available under the Arrangement Agreement.

- Taxable Transaction. The Arrangement will generally be a taxable transaction and, as a result, the holders of Common Shares will generally be required to pay taxes on any taxable gains that result from their receipt of the Consideration pursuant to the Arrangement.

Formal Valuation and Fairness Opinion

In determining that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Excluded Shareholders), the Special Committee considered, among other things, the Formal Valuation and Fairness Opinion prepared by BMO.

The following summary of the Formal Valuation and Fairness Opinion is qualified in its entirety by, and should be read in conjunction with, the full text of the Formal Valuation and Fairness Opinion, which is attached as Appendix E and incorporated by reference into this Circular.

The full text of the Formal Valuation and Fairness Opinion describes, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by BMO. Shareholders are encouraged to carefully read the Formal Valuation and Fairness Opinion in its entirety.

The Formal Valuation and Fairness Opinion was provided for the sole use of the Special Committee and may not be used by any other person or relied upon by any other person other than the Special Committee, or used for any other purpose, without the express prior written consent of BMO.

Background

A formal valuation of the Common Shares is required by MI 61-101, since (i) the Arrangement is a "business combination" within the meaning of MI 61-101 and (ii) "interested parties" (as defined in MI 61-101) will, as a consequence of the Arrangement, directly or indirectly

acquire the Company or the business of the Company, or combine with the Company, through an amalgamation, arrangement or otherwise.

The Special Committee determined that BMO was a qualified and independent valuator for purposes of MI 61-101. As a result, the Special Committee retained BMO to provide it with a formal valuation of the Common Shares in accordance with the requirements of MI 61-101.

Mandate and Professional Fees

BMO was first contacted by the Special Committee about a potential engagement on November 17, 2023, and the Special Committee formally engaged BMO on December 12, 2023, pursuant to the Engagement Letter. The Engagement Letter provided for the preparation by BMO of a formal valuation of the Common Shares in accordance with MI 61-101, as well as the delivery of an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Arrangement.

On January 5, 2024, at the request of the Special Committee, BMO delivered a preliminary valuation analysis of the Common Shares to the Special Committee. On January 22, 2024, at the request of the Special Committee, BMO orally delivered its valuation and fairness opinion, which was subsequently confirmed in writing. The Formal Valuation and Fairness Opinion provides the same conclusions and opinions, in writing, as of January 22, 2024.

The terms of the Engagement Letter provide that the Company shall pay BMO: (i) a preliminary report fee of $500,000 in cash on the date that BMO advises the Special Committee that it is prepared to present its preliminary findings and financial analysis to the Special Committee; and (ii) a final report fee of $1,000,000 in cash on the date that BMO delivers to the Special Committee its final valuation report and written fairness opinion letter. In addition, BMO is to be reimbursed for its reasonable out-of-pocket expenses, including reasonable fees paid to its legal counsel, Osler, Hoskin & Harcourt LLP, in respect of advice rendered to BMO in carrying out its obligations under the Engagement Letter, and is to be indemnified by the Company in certain circumstances. No part of BMO's fee is contingent upon the conclusions reached in the Formal Valuation and Opinion, or the completion of the Arrangement or any other transaction.

Credentials of BMO

BMO is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO has been a financial advisor in a significant number of transactions throughout North America, and globally, involving public companies in various industry sectors, including the agriculture technology and software industries generally, and has extensive experience in preparing valuations and fairness opinions and in transactions similar to the Arrangement.

Independence of BMO

BMO acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, and may in the future have, positions in the securities of the Company, the Excluded Shareholders, or their respective associated or affiliated entities and, from time to time, may have executed, or may execute, transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, BMO conducts research on securities and may, in the ordinary course of its business, provide research

reports and investment advice to its clients on investment matters, including with respect to the Company, the Excluded Shareholders, the interested parties, their respective associated or affiliated entities, or the Arrangement. As used herein, "affiliated entity," "associated entity," "issuer insider" and "interested parties" shall have the meanings ascribed to them in MI 61-101.

In addition, in the ordinary course of its business, BMO or its controlling shareholder, Bank of Montreal, or any of their affiliated entities may have extended or may extend loans, or may have provided or may provide other financial services, to the interested parties or their respective associated or affiliated entities.

None of BMO, Bank of Montreal or any of their affiliated entities:

(a) is an associated or affiliated entity or issuer insider of an interested party;

(b) acts as an adviser to an interested party in respect of the Arrangement;

(c) is entitled to compensation that depends in whole or in part on an agreement, arrangement or understanding that gives such party a financial incentive in respect of the conclusions reached in the Formal Valuation and Opinion or the outcome of the Arrangement;

(d) is a manager or co-manager of a soliciting dealer group formed for the Arrangement (or a member of such a group performing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group);

(e) is the external auditor of an interested party;

(f) has a material financial interest in the completion of the Arrangement (and BMO confirms that the fees payable to BMO pursuant to the Engagement Letter are not material to BMO);

(g) has a material financial interest in future business under an agreement, commitment or understanding involving the Company, any interested parties or any associate or affiliate of the Company or any interested party;

(h) is a lender of a material amount of indebtedness in a situation where any interested party is in financial difficulty, and the Arrangement would reasonably be expected to have the effect of materially enhancing Bank of Montreal's position; or

(i) derives an amount of business or revenue from an interested party that is material to BMO or Bank of Montreal or that would reasonably be expected to affect the independence of BMO in preparing the Formal Valuation and Opinion.

During the 24 months before BMO was first contacted for the purpose of this engagement, none of BMO nor any of its affiliated entities:

(a) has had a material involvement in an evaluation, appraisal or review of the financial condition of any interested party, or an associated or affiliated entity of an interested party;

(b) has had a material involvement in an evaluation, appraisal or review of the financial condition of the Company, or an associate or affiliate entity of the Company, where the evaluation, appraisal or review was carried out at the direction or request of an interested party or paid for by an interested party;

(c) has acted as a lead or co-lead underwriter of a distribution of securities by an interested party, or acted as a lead or co-lead underwriter of a distribution of securities by the Company where our retention was carried out at the direction or request of an interested party or paid for by an interested party;

(d) has had a material financial interest in a transaction involving an interested party; or

(e) has had a material financial interest in a transaction involving the Company.

Scope of Review and Assumptions and Limitations

The scope of review, matters considered, reviews undertaken and assumptions, limitations, restrictions and other qualifications of the Formal Valuation and Fairness Opinion are set forth in the full text of the Formal Valuation and Fairness Opinion attached as Appendix E.

In accordance with the Engagement Letter, BMO has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial and other information, data, advice, opinions and representations obtained from public sources or provided by the Company (including the representations included in letter a dated January 22, 2024 addressed to BMO and signed by the Chief Executive Officer and VP, Finance of the Company as to, among other things, the completeness and accuracy of the information and the reasonableness of the assumptions upon which the Formal Valuation and Opinion are based or any of its subsidiaries or directors, officers, employees, consultants, advisors and representatives, including information, data, and other materials filed on SEDAR+). The Formal Valuation and Opinion are conditional upon the completeness, accuracy and fair presentation of such information described above. Subject to the exercise of its professional judgment, BMO has not attempted to verify independently the completeness, accuracy or fair presentation of the Information.

BMO has assumed that the forecasts, projections, estimates and budgets of the Company provided to or discussed with BMO and used in its analyses have been reasonably prepared on bases reflecting the reasonable estimates and judgments of the Company's senior management as to the matters covered thereby.

Source of Funds for the Arrangement

As of the date of this Circular, 42,038,548 Common Shares are issued and outstanding of which 15,909,667 Common Shares are to be purchased by the Purchaser pursuant to the Arrangement. Based on the purchase price of $0.35 per Common Share, the aggregate Consideration payable for the outstanding Common Shares (other than the Common Shares held by the Excluded Shareholders) is approximately $5.6 million before fees and other transaction expenses. The Purchaser intends to fund the payment by using existing cash on hand, capital injections from FFHL or certain controlled affiliates thereof and/or available credit facilities.

As of the date of this Circular, 718,375 Company Options (500,000 of which are In-the-Money Company Options), no Company DSUs, 3,366,721 Company PSUs (including the Arora

PSUs), no Company Restricted Shares, 190,665 Company RSUs and no Company SARs are outstanding.

Based on the exercise price of such Company Options and Company RSUs relative to the Consideration, the aggregate amount payable to holders of In-the-Money Company Options and Company RSUs is approximately $80,000 and $35,233, respectively. The Company intends to fund the payments to holders of In-the-Money Company Options and Company RSUs using a loan made by the Purchaser on and subject to the terms of the Plan of Arrangement.

Pursuant to the Plan of Arrangement, all of the Company PSUs (other than the Arora PSUs) will be cancelled and terminated in accordance with the Plan of Arrangement on the basis that either the applicable performance goals have not been met, or it is not reasonable pursuant to management's forecast for fiscal 2024 to expect that the performance goals will be met. The Arora PSUs are part of a different grant than the other Company PSUs, and therefore have different performance criteria and are measured over a different performance period.

Guarantee

FFHL has provided a full and unconditional guarantee in favour of the Company with respect to the obligations of the Purchaser under the Arrangement Agreement.

Voting Support Agreements

The Supporting Shareholders, collectively holding, directly or indirectly, or exercising control or direction over an aggregate of 3,829,689 Common Shares, representing approximately 8.3% of the Common Shares (and 24.1% of the Common Shares after excluding the Common Shares held or controlled by the Excluded Shareholders and any other person required to be excluded under MI 61-101), have entered into the Voting Support Agreements pursuant to which they have agreed, subject to the terms thereof and among other things, to vote all of their Common Shares in favour of the Arrangement Resolution.

The Voting Support Agreements between the Purchaser and the two institutional shareholders terminate upon the earliest of (a) the Effective Time; (b) the date on which the Arrangement Agreement is terminated in accordance with its terms or the Purchaser or the Company; or (c) the Effective Time. The Voting Support Agreements between the Purchaser and the directors and certain executive officers of the Company terminate upon the earliest of (a) the date on which the Board makes a Change in Recommendation in accordance with Section 8.2(1)(d)(ii) of the Arrangement Agreement; (b) the date on which the Arrangement Agreement is terminated in accordance with its terms or the Purchaser publicly announcing by way of news release that it will not be proceeding with the Arrangement; and (c) the Effective Time.

The Voting Support Agreements between the Purchaser and each of the institutional shareholders, and the form of the Voting Support Agreements between the Purchaser and the directors and executive officers of the Company are filed under the Company's profile on SEDAR+ at www.sedarplus.ca. The preceding is only a summary of the Voting Support Agreements and is qualified in its entirety by reference to the full text of each of the Voting Support Agreements.

Arrangement Steps

Pursuant to the Arrangement, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two-minute intervals starting at the Effective Time:

(a) The Purchaser shall advance by way of a loan to the Company an amount equal to the aggregate amount of cash required to be paid by the Company to the applicable holders of the Company RSUs and the In-the-Money Company Options and the Company will deliver to the Purchaser a duly issued and executed demand interest-free promissory note having a principal amount equal to the amount so advanced.

(b) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(c) Each Out-of-the-Money Company Option, whether vested or unvested, that has not been duly exercised prior to the Effective Time shall be surrendered by the holder of such Out-of-the-Money Company Option to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Out-of-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Out-of-the-Money Company Option, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(d) Each Company RSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to the terms of the Plan of Arrangement, a cash payment from the Company equal to the Consideration per Company RSU, and each such Company RSU shall immediately be cancelled and terminated and, with respect to each Company RSU that is surrendered:

(i) the holder thereof shall cease to be the holder of such Company RSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company RSU, or under the Company Incentive Plan other than the right to receive the consideration to which such holder is entitled;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(e) Each Company PSU, other than the Arora PSUs, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company PSU to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company PSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company PSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(f) Each Company DSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company DSU to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company DSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company DSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(g) Each Company SAR, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company SAR to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company SAR;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company SAR, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(h) Each Company Restricted Share, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company Restricted Share to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company Restricted Share;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company Restricted Share, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(i) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3 and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares held by the Purchaser and the Excluded Shareholders, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company;

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(j) Each In-the-Money Company Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to the terms of the Plan of Arrangement, a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Common Share of such In-the-Money Company Option and each such In-the-Money Company Option shall immediately be cancelled and terminated and, with respect to each In-the-Money Company Option that is surrendered:

(i) the holder thereof shall cease to be the holder of such In-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such In-the-Money Company Option, or under the Company Incentive Plan, other than the right to receive the Consideration to which such holder is entitled;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(k) The Company Incentive Plan shall be terminated and be of no further force and effect.

(l) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00 without repayment of capital in respect thereof.

(m) The Company and ArrangeCo shall be amalgamated and continued as one corporation under the CBCA.

Upon completion of the above, the Common Shares shall be delisted from the TSX and the Company shall make an election to cease to be a "public corporation" under subsection 89(1) of the Tax Act.

Effective Date

The Arrangement will become effective on the date shown on the Certificate of Arrangement to be endorsed by the Director on the Articles of Arrangement giving effect to the Arrangement in accordance with the CBCA.

Interest of Certain Persons in the Arrangement

In considering the recommendation of the Special Committee and the Board with respect to the Arrangement, Shareholders should be aware that certain directors and senior officers of the Company may have interests in connection with the Arrangement or may receive certain collateral benefits (as such term is defined in MI 61-101) that differ from, or are in addition to, the interests of Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. Other than as disclosed in this Circular, to the

knowledge of the directors and executive officers of the Company, no director or executive officer of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement.

All of the benefits received, or to be received, by directors, officers or employees of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Common Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

Change of Control Benefits

There are no change of control benefits payable upon the closing of the Arrangement under any employment, consulting or any other agreements between the Company and any of its directors or officers, as the Arrangement does not constitute a change of control pursuant to such agreements given Fairfax's current controlling interest in the Company. See under "*Voting Shares and Principal Holders Thereof*" for more information on Fairfax's interest in the Company.

Company Options

As of the Record Date, the directors and executive officers of the Company held, in the aggregate, 517,200 Company Options, all of which were unvested and not exercisable as of that date. The outstanding Company Options held by such directors and executive officers have exercise prices ranging from $0.19 to $3.02. If the Arrangement is consummated, each In-the-Money Company Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such In-the-Money Company Option, and each such In-the-Money Company Option shall immediately be cancelled and terminated. Such holders of In-the-Money Company Options would be entitled to collectively receive cash compensation of approximately $80,000 in the aggregate. Each Out-of-the-Money Company Option, whether vested or unvested, that has not been duly exercised prior to the Effective Time shall be surrendered by the holder of such Out-of-the-Money Company Option to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof.

Company DSUs

As of the Record Date, no directors and executive officers of the Company held Company DSUs. As such, if the Arrangement is consummated, no compensation will be paid in respect of any Company DSUs.

Company PSUs

As of the Record Date, the directors and executive officers of the Company held 18,500 Company PSUs. Based on the performance goals attached to the outstanding Company PSUs (other than the Arora PSUs), all of the Company PSUs (other than the Arora PSUs) will be cancelled and terminated in accordance with the Plan of Arrangement on the basis that either the

applicable performance goals have not been met, or it is not reasonable pursuant to management's forecast for fiscal 2024 to expect that the performance goals will be met. The Arora PSUs are part of a different grant than the other Company PSUs, and therefore have different performance criteria and are measured over a different performance period.

Company RSUs

As of the Record Date, the directors and executive officers of the Company held 102,234 Company RSUs. If the Arrangement is consummated, each Company RSU that is unvested and outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for a cash payment from the Company equal to the Consideration and each such Company RSU shall immediately be cancelled. Such holders of Company RSUs would be entitled to collectively receive cash compensation of approximately $4,282 in the aggregate.

Company SARs

As of the Record Date, no directors and executive officers of the Company held Company SARs. As such, if the Arrangement is consummated, no compensation will be paid in respect of any Company SARs.

Consideration Received by Directors and Officers

The following table sets out the names and positions of the directors and executive officers of the Company as of January 22, 2024, the number of Common Shares, Company Options, Company PSUs and Company RSUs owned or over which control or direction was exercised by each such director or executive officer of the Company and, where known after reasonable inquiry, by their respective associates or affiliates and the consideration to be received for such Common Shares, Company Options, Company PSUs and Company RSUs pursuant to the Arrangement.

Name and Position with the Company	Common Shares	Estimated amount of Consideration to be received in respect of Common Shares	In-the-Money Company Options	Company PSUs	Company RSUs	Total estimated amount of consideration to be received (subject to applicable withholdings)
Vibhore Arora *CEO, Director*	266,861	$53,426[(1)]	–	3,000,000[(2)]	–	$53,426
James Borel *Director*	14,706	$5,147	100,000	–	15,000	$26,397.10
Natacha Mainville *Director*	–	–	100,000	–	–	$16,000
R. William McFarland *Chair of the Board*	86,047	$30,116	100,000	–	60,000	$67,116
Quinn McLean *Director*	54,640	$19,124	100,000	–	–	$35,124

Name and Position with the Company	Common Shares	Estimated amount of Consideration to be received in respect of Common Shares	In-the-Money Company Options	Company PSUs	Company RSUs	Total estimated amount of consideration to be received (subject to applicable withholdings)
Steven Mills *Director*	8,823	$3,088	100,000	–	15,000	$24,338

Notes:

(1) Excludes 114,214 Common Shares held by Mr. Vibhore Arora that are Excluded Shares and therefore are not purchased by the Purchaser under the Plan of Arrangement.

(2) Represents the Arora PSUs, which will not be cancelled under the Plan of Arrangement.

Continuing Insurance Coverage for Directors and Executive Officers of the Company

The Arrangement Agreement provides that, prior to the Effective Date, the Company shall purchase customary "tail" policies of directors' and officers' liability insurance from an insurance carrier with the same or better credit rating as the Company's current insurance carriers providing protection for a claims reporting or discovery period beginning at the Effective Time and continuing for not less than six years from and after the Effective Time and with terms and conditions (including retentions and limits of liability) no less favourable in the aggregate than the protection provided by the policies maintained by the Company which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company to maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Date; provided that the Purchaser will not be required to pay any amounts in respect of such coverage prior to or after the Effective Time and provided further that the cost of such policies shall not exceed 300% of the Company's current annual aggregate premium for policies currently maintained by the Company.

Intentions of Directors and Executive Officers

Pursuant to the Voting Support Agreements, the directors and certain executive officers of the Company who hold securities of the Company have agreed, among other things, to vote their Common Shares in favour of the Arrangement Resolution. See "*The Arrangement – Voting Support Agreements*".

Certain Legal Matters

Implementation of the Arrangement and Timing

The Arrangement will be implemented by way of a Court-approved plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

(a) The required Shareholders' approvals must be obtained;

(b) The Court must grant the Final Order approving the Arrangement;

(c) All conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate Party; and

(d) The Articles of Arrangement, prepared in the form prescribed by the CBCA and signed by an authorized director or officer of the Company, must be filed with the Director and a Certificate of Arrangement issued related thereto.

Except as otherwise provided in the Arrangement Agreement, the Company will file the Articles of Arrangement with the Director as soon as reasonably practicable after the satisfaction or, where permitted, waiver of the conditions set forth in the Arrangement Agreement (other than those which by their nature are to be satisfied at the Effective Date) unless another time or date is agreed to by the Purchaser and the Company.

It is currently anticipated that the Arrangement will be completed in the first quarter of 2024. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order. As provided under the Arrangement Agreement, the Arrangement cannot be completed later than July 1, 2024, without triggering termination rights under the Arrangement Agreement, unless such Outside Date is extended to a later date with the consent of both the Purchaser and the Company.

Court Approvals

An arrangement of a company under the CBCA requires sanction by the Court. On February 8, 2024, 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 and the Notice of Application for the Final Order are attached to this Circular as Appendices C and F, respectively.

If the Arrangement Resolution is approved by Shareholders 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 in respect of the Final Order is scheduled to take place before the Court of King's Bench of 408 York Avenue, Winnipeg, Manitoba on March 19, 2024 at 9:00 a.m. (Central Time), or as soon after such time as counsel may be heard (the "**Presentation Date**"). Any Shareholders wishing to appear in person or to be represented by counsel at the hearing of the motion for the Final Order may do so but must comply with certain procedural requirements described in the Interim Order, including filing a notice of appearance with the Court and serving same upon the Company and the Purchaser via their respective counsel as soon as reasonably practicable and, in any event, no less than two days before the Presentation Date.

The Court has broad discretion under the CBCA when making orders with respect to arrangements. The Court, when hearing the application for the Final Order, will consider, among other things, the fairness of the Arrangement to Shareholders. The Court may approve the Arrangement in any manner it may direct and determine appropriate.

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, the Articles of Arrangement will be filed with the Director under the CBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Regulatory Approvals

No regulatory approvals are required to be obtained by the Company in order to complete the Arrangement.

Securities Law Matters

Application of MI 61-101

The Company is a reporting issuer in all provinces and territories in Canada, and, accordingly, is subject to applicable securities laws in all such provinces and territories, including MI 61-101.

MI 61-101 is intended to regulate certain transactions to ensure fair treatment of securityholders in transactions which raise the potential for conflicts of interest, generally requiring enhanced disclosure, approval by a majority of securityholders excluding interested or related parties, independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 apply to a reporting issuer proposing to carry out, among other transactions, a "business combination" (as defined in MI 61-101).

The transaction is a "business combination" for purposes of MI 61-101 if, among other things, a "related party" of an issuer (as defined in MI 61-101) whether alone or with joint actors would, directly or indirectly, as a consequence of such transaction: (i) acquire the issuer or the business of the issuer, or combine with the issuer (through an amalgamation, arrangement or otherwise), (ii) is entitled to receive consideration per equity security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, or (iii) is entitled to receive a "collateral benefit" (as defined in MI 61-101).

As of the Record Date, Fairfax beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate 25,718,393 Common Shares, which represented approximately 61.2% of the issued and outstanding Common Shares on an undiluted basis. Mr. Vibhore Arora is a director and senior officer of the Company. As a result, each of Fairfax (including the Excluded Shareholders other than Mr. Vibhore Arora) and Mr. Vibhore Arora is a "related party" for the purposes of MI 61-101.

The Arrangement is a "business combination" for the purposes of MI 61-101 because, among other things, each of Fairfax (including the Excluded Shareholders other than Mr. Vibhore Arora) and Mr. Vibhore Arora is a "related party" of the Company and as a consequence of the Arrangement, Fairfax will, directly or indirectly, beneficially own, or exercise control or direction over, all of the Common Shares (except for the Excluded Shares held by Mr. Vibhore Arora).

Collateral Benefit

A "collateral benefit", as defined under MI 61-101, includes any benefit that a "related party" of the Company, which includes the directors and "senior officers" (as defined under MI 61-101) of the Company, is entitled to receive as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, director or consultant of the Company. MI 61-101 excludes from the meaning of "collateral benefit" certain benefits to a "related party" received solely in connection with the related party's services

as an employee, director or consultant of an issuer where, among other things, (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction, (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner, (c) full particulars of the benefit are disclosed in the disclosure document for the transaction, and (d) (i) at the time the transaction was agreed to, the related party and its associated entities beneficially own or exercise control or direction, over less than 1% of the outstanding shares of the issuer, or (ii) an independent committee, acting in good faith, determines that the value of the collateral benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party expects to receive under the terms of the transaction.

In accordance with the terms of the Arrangement Agreement and the Arrangement, each Company Option, Company DSU, Company PSU (other than the Arora PSUs), Company RSU and Company SARs immediately outstanding prior to the Effective Time (whether vested or unvested) shall be cancelled or surrendered to the Company, as the case may be, in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price thereof, subject to applicable withholdings (in the case of the Company Options) or a cash payment from the Company equal to the Consideration, subject to applicable withholdings (in the case of the Company DSUs, the Company PSUs (other than the Arora PSUs), Company Restricted Shares, Company RSUs and Company SARs). As of January 22, 2024, there are no Company DSUs, Company Restricted Shares or Company SARs issued and outstanding. The acceleration of the outstanding Company Options, Company PSUs (other than the Arora PSUs) and Company RSUs may be considered a "collateral benefit" to each director or senior officer of the Company that are holders thereof, but are not in these circumstances because such benefits fall within the exception to the definition of "collateral benefit" under MI 61-101 as they satisfy the conditions set out above, including the fact that each of the directors and senior officers of the Company owns less than 1% of the outstanding securities of the Company. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

Formal Valuation

MI 61-101 provides that, unless an exemption is available, a reporting issuer proposing to carry out a business combination is required to obtain a formal valuation of the "affected securities" (as defined in MI 61-101) from a qualified independent valuator and to provide the holders of such affected securities with a summary of such valuation. For the purposes of the Arrangement, the Common Shares are considered "affected securities" within the meaning of MI 61-101.

The Special Committee determined that BMO was a qualified and independent valuator for purposes of MI 61-101. As a result, the Special Committee retained BMO to provide it with a formal valuation of the Common Shares in accordance with the requirements of MI 61-101. A copy of the Formal Valuation and Fairness Opinion prepared by BMO is attached to this Circular as Appendix E.

Minority Vote

MI 61-101 requires that, in addition to any other required security holder approval, a "business combination" must be subject to "minority approval" (as defined in MI 61-101) of every class of "affected securities" (as defined in MI 61-101) of the issuer, in each case voting separately

as a class. As discussed in detail below, the Common Shares will be subject to minority approval requirements.

Consequently, the approval of the Arrangement Resolution will require the affirmative vote of a simple majority of the votes cast by all the holders of Common Shares present in person or represented by proxy at the Meeting other than: (i) an "interested party" (as defined in MI 61- 101); (ii) any "related party" (as defined in MI 61-101) of an "interested party", unless the "related party" meets that description solely in its capacity as a director or senior officer of one or more persons that are neither an "interested party" nor "issuer insiders" of the Company; and (iii) any person that is a "joint actor" (as defined in MI 61-101) with any of the foregoing, voting separately as a class (collectively, the "**Minority Shareholders**").

To the knowledge of the Company, the Excluded Shareholders and certain directors, officers and employees of Fairfax are the only holders of Common Shares that qualify as an "interested party" or a "related party" of an "interested party". Accordingly, an aggregate of 26,128,881 Common Shares, representing approximately 62.2% of the outstanding Common Shares will be excluded for the purpose of determining if the minority approval of the Arrangement is obtained, comprised of (i) 25,718,393 Common Shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised by Fairfax (being the Excluded Shareholders other than Mr. Vibhore Arora), representing approximately 61.2% of the outstanding Common Shares, (ii) 266,861 Common Shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised by Mr. Vibhore Arora, representing approximately 0.6% of the outstanding Common Shares, and (iii) 143,627 Common Shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised by certain directors, officers and employees of Fairfax. For clarity, given the analysis set out above under "*The Arrangement – Certain Legal Matters – Securities Law Matters – Collateral Benefits*", other than the Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by Mr. R. William McFarland, Mr. Quinn McLean and Mr. Vibhore Arora, none of the Common Shares held by the directors or senior officers of the Company will be excluded for the purpose of determining whether minority approval of the Arrangement is obtained.

Prior Valuations

MI 61-101 requires that every "prior valuation" (as defined in MI 61-101) in respect of the Company that has been made in the 24 months prior to the date of this Circular, the existence of which is known, after reasonable inquiry, to the Company or any of its directors or senior officers, be disclosed in the Circular. To the knowledge of the Company or any of its directors or senior officers, after reasonable inquiry, there has been no "prior valuation" of the Company or of its securities, including the Common Shares, or material assets in the 24 months preceding the date of this Circular.

Expenses of the Arrangement

The Company estimates that expenses in the aggregate amount of approximately $2,800,000 will be incurred by it in connection with the Arrangement, including legal, financial advisory, accounting, filing fees and costs, Special Committee fees, the cost of preparing, printing and mailing this Circular, costs with respect to the Meeting and fees in respect of the Formal Valuation and Fairness Opinion.

Except as otherwise expressly provided in the Arrangement Agreement, all out-of-pocket costs, fees and expenses incurred in connection with the Arrangement Agreement or the

transactions contemplated by the Arrangement Agreement, whether prior to or after the Effective Time, shall be paid by the party incurring such costs, expenses and fees, whether or not the Arrangement is consummated. Other than as disclosed herein, in connection with the Arrangement and the transactions contemplated in connection therewith, no broker, finder or investment banker is or will be entitled to any brokerage, finder's or other fee or commission. BMO will receive certain fees (and is entitled to reimbursement of certain expenses) in connection with the preparation and delivery of the Formal Valuation and Fairness Opinion.

Stock Exchange Delisting and Reporting Issuer Status

The completion of the Arrangement may be subject to, among other things, the approval of the TSX.

The Common Shares are currently listed for trading on the TSX under the symbol "FDGE". The Company expects that the Common Shares will be delisted from the TSX within three business days following the Effective Date.

Following the Effective Date, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

Effects on the Company if the Arrangement is Not Completed

If the Arrangement Resolution is not approved by Shareholders or if the Arrangement is not completed for any other reason, Shareholders will not receive any payment for any of their Common Shares in connection with the Arrangement and the Company will remain a reporting issuer and the Common Shares will continue to be listed on the TSX. See "*Risk Factors – Risks Relating to the Arrangement*".

ARRANGEMENT MECHANICS

Depositary

Pursuant to the Arrangement Agreement, by no later than the Effective Date and in any event prior to the filing by the Company of the Articles of Arrangement with the Director, the Purchaser is required to provide, or cause to be provided to, the Depositary sufficient cash to be held by the Depositary for distribution to the Shareholders upon receipt of a completed Letter of Transmittal and Common Share certificate to satisfy the aggregate Consideration payable by the Purchaser pursuant to the Plan of Arrangement.

Exchange of Certificates for Cash and Amalco Shares

Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder as soon as practicable after the Effective Time, the cash which such holder has the right to receive under the Arrangement for such

Common Shares, less any amounts withheld pursuant to Section 4.4 of the Plan of Arrangement, and any certificate so surrendered shall forthwith be cancelled.

On or as soon as practicable after the Effective Date, the Company shall deliver, to each holder of the Company Options, the Company DSUs, the Company PSUs (other than the Arora PSUs), the Company Restricted Shares, the Company RSUs and the Company SARs as reflected on the register maintained by or on behalf of the Company in respect of the Company Options, the Company DSUs, the Company PSUs (other than the Arora PSUs), the Company Restricted Shares, the Company RSUs and the Company SARs a cheque or cash payment (or process the payment through the Company's payroll systems or such other means as the Company may elect or as otherwise directed by the Purchaser, including with respect to the timing and manner or such delivery), if any, which such holder of the Company Options, the Company DSUs, the Company PSUs (other than the Arora PSUs), the Company Restricted Shares, the Company RSUs and the Company SARs has the right to receive under the Plan of Arrangement for such Company Options, Company DSUs, Company PSUs (other than the Arora PSUs), Company Restricted Shares, Company RSUs and Company SARs, less any amount withheld pursuant to Section 4.4 of the Plan of Arrangement.

Until surrendered as contemplated above, each certificate which immediately prior to the Effective Time represented any Common Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Consideration per Common Share or, if applicable, an Amalco Share, in lieu of such certificate as contemplated in Section 4.2 of the Plan of Arrangement, less any amounts withheld pursuant to Section 4.4 of the Plan of Arrangement. Any such certificate formerly representing Common Shares not duly surrendered on or before the sixth (6th) anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder (other than the Excluded Shareholders) of any kind or nature against or in the Company or the Purchaser. On such anniversary date, all certificates representing Common Shares (other than the Excluded Shares) shall be deemed to have been surrendered to the Purchaser and all Consideration to which such former Shareholder (other than the Excluded Shareholders) was entitled, together with any entitlements to dividends, distributions and interest thereon, shall be deemed to have been surrendered to the Purchaser or any successor thereof for no consideration, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by way of cheque by the Depositary (or, if applicable, the Company) pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary (or, if applicable, the Company) or that otherwise remains unclaimed, in each case on or before the sixth (6th) anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the sixth (6th) anniversary of the Effective Date, shall cease to represent a right or claim of any kind or nature and the right of the holder of Common Shares (other than the Excluded Shares) or Incentive Securities (other than the Arora PSUs) to receive the applicable consideration for such Common Shares or Incentive Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, or any successor thereof for no consideration.

No holder of Common Shares (other than the Excluded Shares) or Incentive Securities (other than the Arora PSUs) shall be entitled to receive any consideration with respect to such Common Shares or such Incentive Securities other than any cash payment or other consideration to which such holder is entitled to receive in accordance with Section 2.3 and Section 4.2 of the Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment or distribution in connection therewith.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 2.3 of the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Shareholder claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration deliverable in accordance with such Shareholder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Shareholder to whom such Consideration is to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to the Purchaser (and its transfer agents) and the Depositary (acting reasonably) in such sum as the Purchaser may direct or otherwise indemnify the Purchaser and the Company in a manner satisfactory to Purchaser and the Company, acting reasonably, against any claim that may be made against the Purchaser or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

The Purchaser, the Company, Amalco, the Depositary and any other Person, as applicable, shall be entitled to deduct and withhold from any amount payable or otherwise deliverable to any Person under the Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1 of the Plan of Arrangement) and from all dividends, distributions or other amounts otherwise payable to any Person such amounts as the Purchaser, the Company, Amalco, the Depositary or such other Person, as applicable, are required or reasonably believe to be required to deduct and withhold from such amounts under any provision of any Laws in respect of taxes. Any such amounts deducted or withheld shall be treated for all purposes under the Plan of Arrangement as having been paid to the Person in respect of which such deduction and withholding made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

Letter of Transmittal

The Registered Shareholders will have received with this Circular a Letter of Transmittal. In order to receive the Consideration, the Registered Shareholders must complete and sign the applicable Letter of Transmittal enclosed with this Circular and deliver it and the other documents required by it, including the certificates representing the Common Shares, to the Depositary in accordance with the instructions contained in the applicable Letter of Transmittal. The Registered Shareholders can obtain additional copies of the applicable Letter of Transmittal by contacting Computershare. The form of Letter of Transmittal is also available on SEDAR+ at www.sedarplus.ca.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully.

Non-Registered Shareholders holding Common Shares that are registered in the name of an Intermediary must contact their Intermediary to arrange for the surrender of their Common Shares.

The Company reserves the right, if it so elects, in its absolute discretion, to instruct the Depositary to waive or not to waive any and all defects or irregularities in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Purchaser reserve the right to demand strict compliance with the terms of the Letters of Transmittal and the Arrangement. The method used to deliver the Letters of Transmittal and any accompanying certificates and representing the

Common Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company recommends that the necessary documentation be delivered to the Depositary by courier; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Holders of Company Options, Company DSUs, Company PSUs (other than the Arora PSUs), Company Restricted Shares, Company RSUs and Company SARs need not complete any documentation to receive the consideration owed to them under the Arrangement in respect of their Company Options, Company DSUs, Company PSUs (other than the Arora PSUs), Company Restricted Shares, Company RSUs and/or Company SARs. Questions on how to complete the Letter of Transmittal should be directed to the Depositary, Computershare, at 1-800-564-6253 (toll-free in North America) or at 514-982-7555 (outside of North America) or by email at corporateactions@computershare.com.

ARRANGEMENT AGREEMENT

The Arrangement Agreement and the Plan of Arrangement are the legal documents that govern the Arrangement. This section of this Circular describes the material provisions of the Arrangement Agreement but does not purport to be complete and may not contain all of the information about the Arrangement Agreement that is important to you. This summary is qualified in its entirety by the Arrangement Agreement, which is available under the Company's profile on SEDAR+ at www.sedarplus.ca, and the full text of the Plan of Arrangement, which is appended to this Circular as Appendix B. We encourage you to read the Arrangement Agreement in its entirety. The Arrangement Agreement establishes and governs the legal relationship between the Company, the Purchaser, and Fairfax with respect to the transactions described in this Circular. It is not intended to be a source of factual, business or operational information about the Company, the Purchaser, or Fairfax.

Guarantee

FFHL, as Guarantor, has unconditionally and irrevocably guaranteed in favour of the Company the due and punctual performance by the Purchaser of its respective covenants and obligations under the Arrangement Agreement, including the obligation to pay the aggregate Consideration payable by the Purchaser pursuant to the Arrangement Agreement and the Plan of Arrangement. The Guarantor and the Purchaser have agreed to be jointly and severally liable to the Company with respect to any breach by the Guarantor or the Purchaser of its covenants and obligations under the Arrangement Agreement or any inaccuracy of the representations and warranties of the Guarantor and the Purchaser contained in the Arrangement Agreement.

Covenants

Conduct of the Business of Farmers Edge

The Company has covenanted and agreed that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as (i) required or permitted by the Arrangement Agreement, (ii) otherwise agreed to in writing by the Purchaser (such agreement not to be unreasonably withheld, conditioned or delayed), (iii) required by applicable Law or any material Contract in effect as of the date of the Arrangement Agreement, or (iv) otherwise set forth in the Company Disclosure Letter, the Company shall, and shall cause each of its Subsidiaries

to, use commercially reasonable efforts to conduct its business in the Ordinary Course and maintain and preserve in all material respects its and its Subsidiaries' business organization, assets, properties, employees, goodwill and business relationships with customers, suppliers, distributors, licensors, partners and other Persons with which the Company or any of its Subsidiaries has material business relations and to perform and comply with its obligations under the Material Contracts in all material respects. 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.

Covenants of Farmers Edge Regarding the Arrangement

The Company has agreed that it shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to perform all obligations required to be performed by the Company or any of its Subsidiaries under the Arrangement Agreement, co-operate with the Purchaser in connection therewith, and to do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement.

Agreement and, without limiting the generality of the foregoing, the Company has agreed that it shall and, where appropriate, shall cause each of its Subsidiaries to:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) use commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are (i) necessary or advisable in connection with the Arrangement, (ii) required to be obtained under the Material Contracts in connection with the Arrangement or (iii) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without paying, and without committing itself or the Purchaser to pay, any consideration or incur any liability or obligation without the prior written consent of the Purchaser;

(c) use commercially reasonable efforts to effect all necessary or advisable registrations, filings and submissions of information required by Governmental Entities from the Company and its Subsidiaries relating to the Arrangement;

(d) use commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, appeal, overturn, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it or any of its Subsidiaries is a party or brought against it or any of its Subsidiaries or any of their respective directors or officers challenging the Arrangement or affecting the Arrangement or the Arrangement Agreement;

(e) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement (other than as permitted in the Arrangement Agreement);

(f) use commercially reasonable efforts to assist the Purchaser in obtaining at the Effective Time, customary mutual releases (in a form satisfactory to the Purchaser, acting reasonably) and, as applicable, resignations effective as of the Effective Time of those directors of the Company or any its Subsidiaries as may be requested by the Purchaser; and

(g) indemnify and save harmless the Purchaser and its affiliates and their respective directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which the Purchaser and its affiliates and their respective directors, officers, employees, advisors and agents may be subject or which the Purchaser and its affiliates and their respective directors, officers, employees, advisors and agents may suffer, whether under the provisions of any Law or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of: (i) any Misrepresentation or alleged Misrepresentation in this Circular; or (ii) any order made or inquiry, investigation or proceeding by any Securities Authority or other Governmental Entity based upon any Misrepresentation or alleged Misrepresentation in this Circular or in any material filed by or on behalf of the Company in compliance or intended compliance with Securities Laws; except that the Company shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based on information included in this Circular relating to and provided by the Purchaser in writing for inclusion in this Circular, or the non-compliance by the Purchaser with any requirement of Laws in connection with the transactions contemplated by the Arrangement Agreement.

The Company has agreed that it shall promptly notify the Purchaser in writing of: (i) any Material Adverse Effect after the date of the Arrangement Agreement or any change, effect, event, development, occurrence, circumstance or state of facts which would reasonably be expected to have a Material Adverse Effect after the date of the Arrangement Agreement; (ii) any notice or other communication from any Person alleging: (x) that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the Arrangement Agreement or the Arrangement; or (y) to the effect that such Person is terminating or otherwise materially adversely modifying the relationship with the Company or any of its Subsidiaries as a result of the Arrangement Agreement (and contemporaneously provide a copy of such written notice of communication to the Purchaser); (iii) unless prohibited by Law, any notice or other communication from any Governmental Entity in connection with the Arrangement Agreement or the Arrangement (and contemporaneously provide a copy of any such written notice or communication to the Purchaser); or (iv) any material filing, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting the Company, its Subsidiaries or that relate to the Arrangement Agreement or the Arrangement.

Covenants of the Purchaser Regarding the Arrangement

Subject to the terms and conditions of the Arrangement Agreement, the Purchaser has agreed that it shall, and shall cause its affiliates to, use commercially reasonable efforts to perform all obligations required to be performed by it under the Arrangement Agreement, co-operate with the Company in connection therewith, and shall use all commercially reasonable efforts to do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, the Purchaser has agreed to:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law on it with respect to the Arrangement Agreement or the Arrangement;

(b) use commercially reasonable efforts to effect all necessary or advisable registrations, filings and submissions of information required by Governmental Entities from it relating to the Arrangement;

(c) use commercially reasonable efforts to, upon reasonable consultation with the Company, oppose, appeal, overturn, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging or affecting the Arrangement or the Arrangement Agreement;

(d) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement (other than as permitted by the Arrangement Agreement);

(e) take all necessary action to ensure that it has sufficient funds to carry out its obligations under the Arrangement Agreement and the Plan of Arrangement and it shall, by no later than the Effective Date and in any event prior to the filing by the Company of the Articles of Arrangement with the Director in accordance with the Arrangement Agreement, provide, or cause to be provided, to the Depositary sufficient cash to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Purchaser, each acting reasonably) to satisfy the aggregate Consideration payable by the Purchaser pursuant to the Plan of Arrangement;

(f) indemnify and save harmless the Company and its affiliates and their respective directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which the Company and its affiliates and their respective directors, officers, employees, advisors and agents may be subject or which the Company and its affiliates and their respective directors, officers, employees, advisors and agents may suffer, whether under the provisions

of any Law or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of: (i) any Misrepresentation or alleged Misrepresentation in the information included in this Circular provided in writing for inclusion in the Circular by the Purchaser concerning the Purchaser and its affiliates; or (ii) any order made or inquiry, investigation or proceeding by any Securities Authority or other Governmental Entity based upon any Misrepresentation or alleged Misrepresentation in this Circular or in any material filed by or on behalf of the Purchaser or by the Company, in each case only to the extent based on information provided in writing for inclusion in this Circular by the Purchaser in compliance or intended compliance with Securities Laws.

The Purchaser has agreed that it shall promptly notify the Company in writing of: (i) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the Arrangement Agreement or the Arrangement; (ii) unless prohibited by Law, any notice or other communication from any Governmental Entity in connection with the Arrangement Agreement or the Arrangement (and contemporaneously provide a copy of any such written notice or communication to the Company); or (iii) any material filing, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, the Purchaser relating to the Arrangement Agreement or the Arrangement.

Access to Information; Confidentiality

From the date of the Arrangement Agreement until the earlier of the Effective Time and the termination of the Arrangement Agreement, subject to Law and the terms of any existing Contracts, the Company has agreed that it shall, and shall cause its Subsidiaries to use commercially reasonable efforts to cause their Representatives to, afford the Purchaser and its affiliates and their respective Representatives such access as the Purchaser may reasonably require for the purpose of consummating the Arrangement during regular business hours of the Company to their officers, employees, agents, properties, books, records and Contracts, and shall make available to the Purchaser all data and information as the Purchaser may reasonably request for the purpose of consummating the Arrangement, including for the purposes of facilitating post-closing business planning. Without limiting the foregoing, and subject to the terms of any existing Contracts, the Company has agreed that it shall, upon the Purchaser's reasonable request, facilitate discussions between the Purchaser and any third party from whom consent may be required in connection with the Arrangement; provided that: (i) the Purchaser provides the Company with reasonable notice of any request under the Arrangement Agreement; and (ii) access to any materials contemplated in the Arrangement Agreement shall be provided during the Company's normal business hours only and in such manner not to interfere unreasonably with the conduct of the business of the Company or its Subsidiaries. Notwithstanding the foregoing, the Company is not obligated to provide access to, or to disclose, any information to the Purchaser if the Company reasonably determines that such access or disclosure would violate applicable Law or the terms of any existing Material Contracts, result in the disclosure of any trade secrets or similar information or violate any obligations of the Company or any other Person with respect to confidentiality, jeopardize any privilege claim by the Company or any of its Subsidiaries, interfere unreasonably with the conduct of the business of the Company or its Subsidiaries or require any action by the Company outside of normal business hours.

Pre-Acquisition Reorganization

Subject to the terms of the Arrangement Agreement, upon the reasonable request by the Purchaser, the Company has agreed that it shall use commercially reasonable efforts to: (a) undertake such transactions and reorganizations of its corporate structure, business, operations and assets as the Purchaser may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"); and (b) cooperate with the Purchaser and its advisors to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken. The Company is not required to undertake any Pre-Acquisition Reorganization unless certain stated conditions set forth in the Arrangement Agreement are satisfied.

Insurance and Indemnification

Prior to the Effective Date, the Company has agreed that it shall purchase customary "tail" policies of directors' and officers' liability insurance from an insurance carrier with the same or better credit rating as the Company's current insurance carriers providing protection for a claims reporting or discovery period beginning at the Effective Time and continuing for not less than six years from and after the Effective Time and with terms and conditions (including retentions and limits of liability) no less favourable in the aggregate than the protection provided by the policies maintained by the Company which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company to maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Date; provided that the Purchaser is not required to pay any amounts in respect of such coverage prior to or after the Effective Time and provided further that the cost of such policies shall not exceed 300% of the Company's current annual aggregate premium for policies currently maintained by the Company.

From and after the Effective Time, the Purchaser has agreed that it shall honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and has acknowledged that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date.

From and after the Effective Time, the Purchaser has agreed that it shall, and shall cause the Company to, indemnify and hold harmless, to the fullest extent permitted under applicable Law (and to also advance expenses as incurred to the fullest extent permitted under applicable Law), each present and former director and officer of the Company and its Subsidiaries and each present and former designate or nominee of the Company or its Subsidiaries (each, an "**Indemnified Party**") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any Proceeding arising out of or related to such Indemnified Party's service as a director or officer of the Company or any of its Subsidiaries or services performed by such persons at the request of the Company or any of its Subsidiaries at or prior to or following the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, including the approval or completion of the Arrangement Agreement and the Arrangement or any of the other transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated hereby. Pursuant to the Arrangement Agreement, none of the Purchaser, the Company or any of their respective Subsidiaries shall settle, compromise or consent to the entry of any judgment in any Proceeding involving or naming an Indemnified Party

or arising out of or related to an Indemnified Party's service as a director or officer of the Company or any of its Subsidiaries or services performed by such Indemnified Party at the request of the Company or any of its Subsidiaries at, prior to or following the Effective Time without the prior written consent (not to be unreasonably withheld or delayed) of that Indemnified Party, unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liability and other obligations arising out of such Proceeding.

If the Company or any of its Subsidiaries or any of their respective successors or assigns (i) consolidates with or merges into any other Person and is not a continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any Person, the Purchaser has agreed that it shall ensure that any such successor or assign (including, as applicable, any acquirer of substantially all of the properties and assets of the Company or its Subsidiaries) assumes all of the obligations set forth in the Arrangement Agreement.

The Purchaser has agreed that it shall pay all reasonable expenses, including legal fees, that may be incurred by any Indemnified Party in enforcing the indemnity and other obligations provided for in the Arrangement Agreement. The rights of each Indemnified Party under the Arrangement Agreement are in addition to, and not in limitation of, any other rights such Indemnified Party may have under the constating documents of the Company or any of its Subsidiaries or any other indemnification arrangement.

Additional Covenants Regarding Non-Solicitation and Acquisition Proposals

Non-Solicitation

Except as expressly provided in the Arrangement Agreement, the Company has agreed that it shall not and shall cause its Subsidiaries to not, directly or indirectly, through any officer, director, employee, representative (including any financial or other advisor), agent or any other Person acting on behalf of the Company or of any of its Subsidiaries, in each case acting in their capacity as such (collectively "**Representatives**"), or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate or otherwise cooperate in any way (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, business, assets, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer (whether publicly or otherwise) that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into, continue or otherwise engage or participate in any discussions or negotiations with any Person (other than the Excluded Shareholders or any of their affiliates) regarding any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that the Company may advise any Person of the restrictions of the Arrangement Agreement;

(c) withdraw, amend, modify or qualify, in a manner adverse to the Purchaser, the Board Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any publicly announced or otherwise publicly disclosed Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced or otherwise publicly disclosed Acquisition Proposal for a period of no more than five Business Days following the public announcement or public disclosure of such Acquisition Proposal will not be considered to be a violation of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or

(e) accept, approve, recommend or execute or enter into or publicly propose to accept, approve, recommend or execute or enter into any agreement, understanding or arrangement (including any letter of intent or agreement in principle) that constitutes or would reasonably be expected to lead to an Acquisition Proposal.

The Company has represented and warranted that, since January 1, 2023, the Company has not waived any confidentiality, standstill or similar agreement or restriction applicable to another Person to which the Company or any Subsidiary is a party, and has further covenanted and agreed that (a) the Company shall use commercially reasonable efforts to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party, and (b) neither the Company, nor any Subsidiary or any of their respective Representatives have or will, without the prior written consent of the Purchaser (which may be withheld or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party (it being acknowledged by the Purchaser that the automatic termination or release of any such agreement, restriction or covenant as a result of entering into the Arrangement Agreement shall not be a violation of the Arrangement Agreement).

Notification of Acquisition Proposals

If, on or after the date of the Arrangement Agreement the Company or any of its Subsidiaries or any of their respective Representatives, receives any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary in connection with, or that would reasonably be expected to lead to, an Acquisition Proposal, the Company has agreed that it shall promptly (and in any event within 24 hours) notify the Purchaser, at first orally, and then as promptly as practicable (and in any event within 24 hours) in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all written documents received in respect of, from or on behalf of any such Person and such other details of such Acquisition Proposal, inquiry, proposal, offer or request as the Purchaser may reasonably request.

Fiduciary Duties

Nothing contained in the Arrangement Agreement prohibits the Board (excluding the directors that are directors or officers of the Guarantor or an affiliate thereof) from making a Change in Recommendation in response to any development, fact, change, event, effect, occurrence or circumstance with respect to the Company that is not known or reasonably foreseeable (or the material consequences of which are not known or reasonably foreseeable) to the Company or the Board as of the date of the Arrangement Agreement if, in the good faith judgment of the Board, after consultation with its financial advisor and outside legal counsel, that failure to take such action or make such disclosure would reasonably be expected to be inconsistent with the Board's exercise of its fiduciary duties under applicable Law. The Board may not make a Change in Recommendation pursuant to the preceding sentence unless the Company gives the Purchaser at least two Business Days prior written notice of its intention to make such Change in Recommendation. Should the Board make a Change in Recommendation in accordance with the foregoing, the covenants in respect of joint public communications in the Arrangement Agreement shall no longer be applicable to disclosures made by the Company. In addition, nothing contained in the Arrangement Agreement prohibits the Company or the Board from calling and/or holding a meeting of Shareholders requisitioned by Shareholders in accordance with the CBCA or taking any other action to the extent ordered or otherwise mandated by a Governmental Entity.

Nothing in the Arrangement Agreement prevents the Board from making any disclosure to any securityholders of the Company prior to the Effective Time as required by applicable Securities Laws, provided that, notwithstanding that the Board shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation, other than as permitted by the terms of the Arrangement Agreement.

Representations and Warranties

The Arrangement Agreement contains certain representations and warranties of Farmers Edge relating to the following: organization and qualification; corporate authorization; executing and binding obligation; governmental authorization; non-contravention; capitalization; shareholders' and similar agreements; Subsidiaries; Securities Law matters; financial statements; auditors; no undisclosed liabilities; bankruptcy, liquidation, winding-up; absence of certain changes or events; related party transactions; compliance with Laws; authorizations and licenses; Material Contracts; intellectual property; litigation; environmental matters; personal property; employees; collective agreements; employee plans; insurance; taxes; disclosure; opinion of financial advisor; brokers; Board and Special Committee approval; rights plans; MI 61-101; money laundering; anti-corruption; and privacy.

The Arrangement Agreement contains certain representations and warranties of the Purchaser and Guarantor relating to the following: organization and qualification; corporate authorization; execution and binding obligation; governmental authorization; non-contravention; litigation; Investment Canada; funds available; and MI 61-101.

Conditions to Closing

Mutual Conditions Precedent

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

(a) Arrangement Resolution. The Arrangement Resolution has been approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order.

(b) Interim Order and Final Order. The Interim Order and the Final Order have each been obtained on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise.

(c) Illegality. No Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement.

Conditions in Favour of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or as of the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived (if permitted by applicable Law), in whole or in part, by the Purchaser in its sole discretion:

(a) Representations and Warranties. (i) The representations and warranties of the Company relating to organization and qualification, corporate authorization, execution and binding obligation, and capitalization set out in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects (other than *de minimis* inaccuracies); and (ii) all other representations and warranties of the Company set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time (and, for this purpose, any reference to “material”, “Material Adverse Effect” or other concepts of materiality in such representations and warranties shall be ignored), except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date and except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect; and the Company has delivered a certificate confirming same to the Purchaser, executed by a senior officer of the Company (without personal liability) addressed to the Purchaser and dated the Effective Date.

(b) Performance of Covenants. The Company has fulfilled or complied in all material respects with the covenants of the Company contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company has delivered a certificate confirming same to the Purchaser, executed by a senior officer of the Company (without personal liability) addressed to the Purchaser and dated the Effective Date.

(c) Material Adverse Effect. Since the date of the Arrangement Agreement, there shall not have been or occurred a Material Adverse Effect that has not been cured and the Company will have delivered a certificate confirming same to the Purchaser, executed by a senior officer of the Company (without personal liability) addressed to the Purchaser and dated the Effective Date.

Conditions in Favour of Farmers Edge

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or as of the Effective Time, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(a) Representations and Warranties. The representations and warranties of the Purchaser and the Guarantor set forth in the Arrangement Agreement which are qualified by references to materiality were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Purchaser and the Guarantor set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and each of the Purchaser and the Guarantor has delivered a certificate confirming same to the Company, executed by a senior officer of the Purchaser and the Guarantor (in each case without personal liability) addressed to the Company and dated the Effective Date.

(b) Performance of Covenants. The Purchaser and the Guarantor has fulfilled or complied in all material respects with the covenants of the Purchaser and the Guarantor contained in the Arrangement Agreement to be fulfilled or complied with by them on or prior to the Effective Time, and each of the Purchaser and the Guarantor has delivered a certificate confirming same to the Company, executed by a senior officer of each of the Purchaser and the Guarantor (in each case without personal liability) addressed to the Company and dated the Effective Date.

(c) Deposit of Funds. The Purchaser shall have deposited or caused to be deposited in escrow with the Depositary in accordance with the Arrangement Agreement, the funds required to satisfy the aggregate Consideration payable by the Purchaser pursuant to the Plan of Arrangement, and the Company shall have received written confirmation of the receipt of such funds by the Depositary.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated prior to the Effective Time by:

(a) mutual written agreement of the Parties;

(b) either the Company or the Purchaser if:

(i) the Arrangement Resolution is not approved by the Shareholders at the Meeting in accordance with the Interim Order;

(ii) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable; provided the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to prevent, appeal or overturn such Law (provided such Law is an order, injunction, judgment, decree or ruling) or otherwise have it lifted or rendered non-applicable in respect of the Arrangement and provided further that the enactment, making, enforcement or amendment of such Law was not primarily due to a breach by such Party of any of its representations and warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Arrangement Agreement 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) the Company if: a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser or the Guarantor under the Arrangement Agreement occurs that would cause any condition related to its or the Guarantor's representations and warranties or covenants not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that any Willful Breach shall be deemed to be incurable and provided further that the Company is not then in breach of the Arrangement Agreement so as to cause any condition related to its representations and warranties or any covenants of the Company not to be satisfied;

(d) the Purchaser if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition related to the Company's representations and warranties or covenants not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that any Willful Breach shall be deemed to be incurable and provided further that neither the Purchaser nor the Guarantor are then in breach of the Arrangement Agreement so as to cause any condition related to its representations and warranties or covenants not to be satisfied; or

(ii) prior to the approval by the Shareholders of the Arrangement Resolution, (A) the Board fails to recommend or withdraws, amends, modifies or qualifies, in a manner adverse to the Purchaser, the Board Recommendation or (B) the Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or

recommend, an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced or otherwise publicly disclosed Acquisition Proposal for more than five (5) Business Days (together with any of the matters set forth in clauses (A) or (B) a "**Change in Recommendation**").

The Party desiring to terminate the Arrangement Agreement is required to give written notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Amendments

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Shareholders, and any such amendment may, subject to the Interim Order and Final Order and Laws, without limitation: (a) change the time for performance of any of the obligations or acts of the Parties; (b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement; (c) modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; and/or (d) waive compliance with or modify any conditions contained in the Arrangement Agreement; provided that no such amendment reduces or materially adversely affects the Consideration to be received by Shareholders without approval by the affected Shareholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

Expenses

Except as expressly otherwise provided in the Arrangement Agreement, all out-of-pocket costs, fees and expenses incurred by a Party in connection with the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement, whether prior to or after the Effective Time, shall be paid by the Party incurring such costs, expenses and fees, whether or not the Arrangement is consummated.

Governing Law

The Arrangement Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. In connection with the Arrangement Agreement, each Party irrevocably adorns and submits to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

INFORMATION CONCERNING THE COMPANY AND ARRANGECO

The Company

General

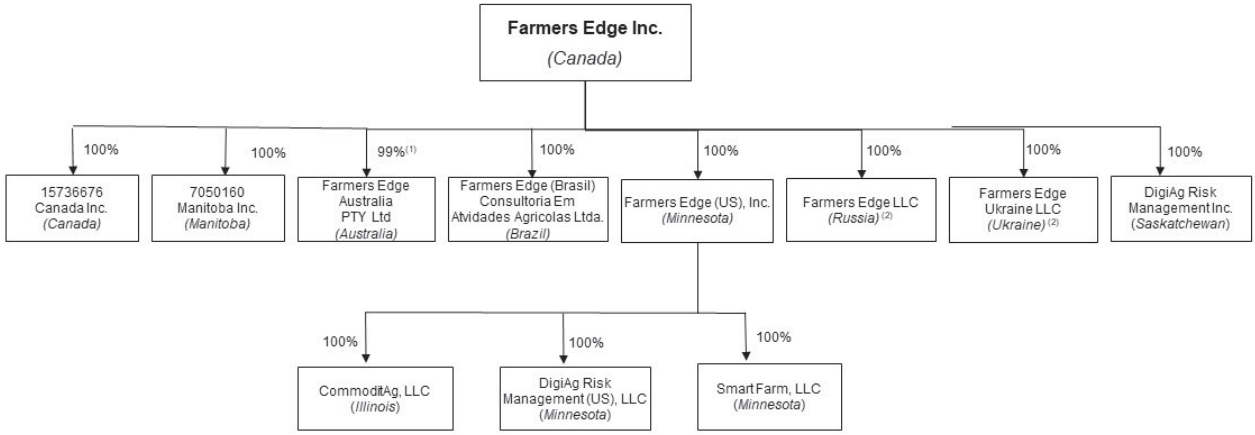
Initially founded in 2005 as an agronomic consulting services company, the Company was formed by way of an amalgamation of Farmers Edge Precision Consulting Inc. and Farmers Edge

International Inc. on August 21, 2014 pursuant to The Corporations Act (Manitoba). The Company's articles were amended on March 27, 2015, July 16, 2015, August 17, 2015 and December 12, 2017, in each case to restate its authorized share capital. The Company's articles were further amended on March 2, 2021 to, among other things, restate its authorized share capital and consolidate its issued and outstanding shares on a 7:1 basis. The Continuance occurred effective August 15, 2022 (the "**Continuance**"). The Continuance was approved at the annual and special meeting of shareholders held on June 15, 2022.

The Company's head office is located at 25 Rothwell Road, Winnipeg, Manitoba R3P 2M5 and its registered office is located at 242 Hargrave Street, Suite 1700, Winnipeg, Manitoba R3C 0V1.

Intercorporate Relationships

The following chart identifies each of the Company's material, wholly-owned subsidiaries as of the date of this Circular (including jurisdiction of formation, incorporation or continuance of the various entities):



(1) 7050160 Manitoba Inc., a wholly-owned subsidiary of the Company, owns the remaining 1% of Farmers Edge (Brasil) Consultoria Em Atvidades Agricolas Ltda.

(2) Farmers Edge LLC and Farmers Edge Ukraine LLC are not material subsidiaries of the Company and are not engaged in significant ongoing operations.

Description of Share Capital

The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Company's articles.

General

The Company's authorized share capital consists of (i) an unlimited number of Common Shares and (ii) an unlimited number of Preference Shares, issuable in series. Except as required by law or as provided for in any special rights or restrictions attaching to any series of Preference Shares issued from time to time, the holders of Preference Shares will not be entitled to receive notice of, attend or vote at any meeting of the Shareholders. As at January 22, 2024, there were 42,038,548 Common Shares issued and outstanding and no Preference Shares issued and outstanding.

Common Shares

Holders of Common Shares are entitled to one vote in respect of each Common Share held at all meetings of holders of shares, other than meetings at which only the holders of another class or series of shares are entitled to vote separately as a class or series. The holders of the Common Shares are entitled to receive any dividend declared by the Board in respect of the Common Shares, subject to the rights of the holders of other classes of shares. The holders of the Common Shares will be entitled to receive, subject to the rights of the holders of other classes of shares, the remaining property and assets of the Company available for distribution, after payment of liabilities, upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary. For a description of the dividend policy, see "*Dividend Policy*" below.

Preference Shares

The preferred shares of the Company (the "**Preference Shares**") may at any time and from time to time be issued in one or more series, each series to consist of such number of Preference Shares as may, before the issue thereof, be determined by resolution of the Board. Subject to the provisions of the CBCA, Board may, by resolution, fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to the Preference Shares of each series including, without limitation, any right to receive dividends (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such dividends, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any voting rights, any retraction rights and any rights on the liquidation, dissolution or winding up of the Company, any sinking fund or other provisions, the whole to be subject to the issue of a certificate of amendment setting forth the designation, rights, privileges, restrictions and conditions attaching to the Preference Shares of the series. Except as required by law or as provided for in any special rights or restrictions attaching to any series of Preference Shares, the holders of Preference Shares will not be entitled to receive notice of, attend or vote at any meeting of Shareholders.

Generally, Preference Shares of each series, if and when issued, will, with respect to the payment of dividends, rank on a parity with the Preference Shares of every other series and be entitled to preference over the Common Shares and any other shares of the Company ranking junior to the Preference Shares with respect to payment of dividends. If any amount of cumulative dividends (whether or not declared) or any amount payable on any such distribution of assets constituting a return of capital in respect of the Preference Shares of any series is not paid in full, the Preference Shares of such series will participate rateably with the Preference Shares of every other series in respect of all such dividends and amounts.

In the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of Preference Shares will generally be entitled to preference with respect to distribution of the property or assets of the Company over the Common Shares and any other shares of the Company ranking junior to the Preference Shares with respect to the repayment of paid-up capital remaining after payment of all outstanding debts on a pro rata basis, and the payment of any and all declared but unpaid cumulative dividends, or any and all declared but unpaid non-cumulative dividends, on the Preference Shares. The Company currently anticipates that there will be no pre-emptive, subscription, redemption or conversion rights attaching to any series of Preference Shares issued from time to time.

Dividend Policy

The Company retains future earnings to fund the development and growth of its business and has not paid, and does not currently anticipate paying dividends on the Common Shares. Any determination to pay dividends in the future is at the discretion of the Board and depends on many factors, including, among others, the financial condition of the Company, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors that the Board may deem relevant. See "*Risk Factors*" in the Company's Annual Information Form for the year ended December 31, 2022.

Commitments to Acquire Securities of Farmers Edge

Except as otherwise described in this Circular, none of the Company and its directors and executive officers or, to the knowledge of the directors and executive officers of the Company, any of their respective associates or affiliates, any other insiders of the Company or their respective associates or affiliates or any person acting jointly or in concert with the Company has made any agreement, commitment or understanding to acquire securities of the Company.

Previous Purchases and Sales

Other than pursuant to the exercise of Company Options, Company PSUs and Company RSUs or as otherwise described under the heading "*Information Concerning Farmers Edge Inc. – Previous Distributions*", no Common Shares or other securities of the Company have been purchased or sold by the Company during the twenty-four (24) month period preceding the date of this Circular.

Previous Distributions

Except as disclosed in the following table, no Common Shares were distributed during the five (5) years preceding the date of this Circular.

Nature of Distribution	Number of Common Shares	Average Issue/Exercise Price per Common Share	Gross Proceeds to Company
2024 (to January 2024)			
–	–	–	–
2023			
Common Shares issued on vesting of Company RSUs	78,666	$0.19	$15,167
2022			
Common Shares issued on vesting of Company RSUs	51,757	$0.65	$33,642
2021			
Common Shares issued on exercise of options[(1)]	151,794[(1)]	$8.38[(1)]	$1,272,034
Initial Public Offering	8,481,683	$17.00	$144,188,611

Nature of Distribution	Number of Common Shares	Average Issue/Exercise Price per Common Share	Gross Proceeds to Company
Common Shares issued on conversion of convertible debentures[1]	19,433,491[1]	–[2]	–
Common Shares issued on exercise of warrants[1]	2,601,198	$0.0007	$1,821
2020			
Common Shares issued on exercise of options[1]	14,286[1]	$3.71[1]	$53,000
Common Shares issued on exercise of warrants[1]	1,362,641[1]	$0.0007[1]	$954
2019			
Common Shares issued on exercise of options[1]	52,285[1]	$4.06[1]	$212,364

Notes:

(1) Some Common Shares issued in 2021 and all of the Common Shares issued in 2019 and 2020 were issued prior to the capital reorganization that occurred as part of the initial public offering, including a 7:1 consolidation of the Common Shares. To the extent such Common Shares were issued prior to the capital reorganization, the number of Common Shares issued and the average issue/exercise prices per Common Share have been adjusted to reflect such 7:1 consolidation.

(2) The convertible debentures converted at a price of $0.34 per Common Share, which was adjusted to reflect the 7:1 consolidation of the Common Shares describe in note 1.

Market for Securities

The Common Shares are listed on the TSX under the trading symbol "**FDGE**". The following table sets forth the reporting high and low prices and the monthly trading volume for the Common Shares for the periods indicated:

Month	Common Share Price ($ per Common Share)		Total Monthly Volumes (# of Common Shares)
	High	Low	
January 2023	0.30	0.22	469,614
February 2023	0.315	0.23	360,920
March 2023	0.295	0.17	753,990
April 2023	0.24	0.175	334,960
May 2023	0.22	0.17	393,921
June 2023	0.215	0.17	158,810
July 2023	0.23	0.18	168,387
August 2023	0.26	0.175	260,393
September 2023	0.22	0.155	326,081
October 2023	0.17	0.08	317,903
November 2023	0.245	0.09	640,469
December 2023	0.245	0.24	184,695

The closing price per Common Share on November 15, 2023, the last full trading day on the TSX before the public announcement of the non-binding proposal by Fairfax to the Company, was $0.11. The closing price per Common Share on January 5, 2024, the last full trading day on the TSX before the public announcement of the revised non-binding proposal by Fairfax to the Company was $0.25.

Interest of Informed Persons in Material Transactions

Except as otherwise described elsewhere in this Circular, to the knowledge of the directors and executive officers of the Company, no director or officer of the Company, or person who beneficially owns, or controls or directs, directly or indirectly, more than ten (10%) of the Common Shares, or director or officer of such person, or associate or affiliate of the foregoing has any interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affect the Company or any of its Subsidiaries.

Material Changes in the Affairs of the Company

Except as described in this Circular, the directors and executive officers of the Company are not aware of (i) any plans or proposals for material changes in the affairs of the Company; (ii) any plans, proposals, or negotiations that would result in changes to the Company's articles, bylaws or other governing instruments; and (iii) any material corporate events during the last two (2) years concerning any mergers, consolidations, acquisitions, or sales of a material amount of assets of the Company.

Aggregate Indebtedness

As at January 22, 2024, none of the current or former Directors or executive officers or employees of the Company or any of its Subsidiaries, or any associate or affiliate of any such person, is as of the date hereof, or has been since January 1, 2023, indebted to the Company.

ArrangeCo

ArrangeCo was incorporated under the CBCA on January 31, 2024. ArrangeCo's head office is located at 25 Rothwell Road, Winnipeg, Manitoba R3P 2M5 and its registered office is located at 242 Hargrave Street, Suite 1700, Winnipeg, Manitoba R3C 0V1. ArrangeCo was formed for the purpose of effecting the Arrangement and will not carry on any business prior to the Effective Time, other than in connection with the Arrangement. ArrangeCo is a direct wholly-owned subsidiary of the Company.

INFORMATION CONCERNING THE PURCHASER AND THE GUARANTOR

The Purchaser

The Purchaser is a corporation incorporated under the CBCA. Its head office is located at 95 Wellington Street West, Suite 800, Toronto, Ontario, M5J 2N7. FFHL is the sole shareholder. The Purchaser was formed solely for the purpose of engaging in the transactions contemplated by the Arrangement Agreement and has not engaged in any business activities other than in connection with the transactions contemplated by the Arrangement Agreement.

The Guarantor

FFHL is a holding company which, through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and the associated investment management. FFHL was incorporated under the *Canada Corporations Act* on March 13, 1951 and continued under the CBCA in 1976. Its head office is located at 95 Wellington Street West, Suite 800, Toronto, Ontario, M5J 2N7. Fairfax's corporate objective is to achieve a high rate of return on invested capital and build long-term shareholder value. Fairfax seeks to differentiate itself by combining disciplined underwriting with the investment of its assets on a total return basis, which FFHL believes provides above-average returns over the long-term. FFHL's subordinate voting shares listed on the TSX under the symbol FFH and in U.S. dollars under the symbol FFH.U.

RISK FACTORS

The following risk factors should be carefully considered by Shareholders in evaluating the approval of the Arrangement Resolution. The following risk factors are not a definitive list of all risk factors associated with the Company or the Arrangement.

Risks Related to Farmers Edge

If the Arrangement is not completed, Farmers Edge will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Such risk factors are set forth and described in the Company's Annual Information Form for the year ended December 31, 2022, the Management's Discussion and Analysis (the "**MD&A**") for the year ended December 31, 2022, as well as the MD&A for the interim period ended September 30, 2023, which have been filed on SEDAR+ at www.sedarplus.ca.

Risks Relating to the Arrangement

Conditions Precedent and Required Approvals

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. Failure to complete the Arrangement for any reason could materially negatively impact the trading price of the Common Shares.

The completion of the Arrangement is subject to certain conditions precedent, some of which are outside the control of the Company and the Purchaser, including the Arrangement Resolution being approved and adopted by the Shareholders at the Meeting and the granting of the Final Order. In addition, the completion of the Arrangement by the Purchaser is conditional on, among other things, no occurrence since the date of the Arrangement Agreement of a Material Adverse Effect that has not been cured. There can be no certainty, nor can the Company or the Purchaser provide any assurance, that these conditions will be satisfied or waived or, if satisfied or waived, when they will be satisfied or waived. If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion thereof could have a negative impact on the Company's current business relationships, including with future and prospective employees, customers, distributors, suppliers and partners, and could have a Material Adverse Effect on the current and future operations, financial condition and prospects of the Company. If the Arrangement is not completed and the Board decides to seek an alternative transaction, there can be no assurance that Fairfax would be willing to accept or support an alternative transaction.

The Required Shareholder Approvals May Not Be Obtained

To become effective, the Arrangement Resolution must be approved by both (i) at least two-thirds (2/3) of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Shareholders present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101 (the "**Minority Approval Vote**"). Although the Supporting Shareholders have entered into Voting Support Agreements with the Purchaser pursuant to which they have agreed, subject to the terms thereof, to vote their Common Shares in favour of the Arrangement Resolution, the votes attached to the Common Shares beneficially owned or controlled or directed by the Excluded Shareholders and any directors, officers or employees of Fairfax, which represent approximately 62.2% of the issued and outstanding Common Shares, will be excluded from the Minority Approval Vote. If the required shareholder approvals are not obtained, the consequent failure to complete the Arrangement could materially negatively impact the trading price of the Common Shares.

Termination in Certain Circumstances

Each of the Company and the Purchaser has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by either of the Company or the Purchaser prior to the completion of the Arrangement. The Company's business, financial condition or results of operations could also be subject to various material adverse consequences, including that (i) the Company would remain liable for significant costs relating to the Arrangement including, among others, legal, accounting and printing expenses and (ii) the Company's relationships with customers, suppliers, landlords, employees and other stakeholders may be adversely affected. In response to the uncertainty as to the completion of the Arrangement, the Company's clients and suppliers may delay or defer decisions concerning the Company and may seek to modify or terminate their business relationships with the Company. Any delay or deferral of those decisions by clients or suppliers could adversely affect the business and operations of the Company, regardless of whether the Arrangement is ultimately completed. Since the completion of the Arrangement is subject to uncertainty, officers and employees of the Company may experience uncertainty about their future roles with the Company. Similarly, uncertainty may adversely affect the Company's ability to attract or retain key personnel.

Occurrence of a Material Adverse Effect

The completion of the Arrangement is subject to the condition that there shall not have occurred a Material Adverse Effect. Although a Material Adverse Effect excludes certain events, including events in some cases that are beyond the control of the Purchaser, there can be no assurance that a Material Adverse Effect will not occur prior to the Effective Time. If such a Material Adverse Effect occurs and the Purchaser does not waive same, the Arrangement would not proceed. See "*Arrangement Agreement – Conditions to Closing*".

Adverse Effect on the Company's Business in Case of Termination

The completion of the Arrangement is subject to the satisfaction of certain closing conditions, including the approval by Shareholders and receipt of the Final Order. A substantial delay in obtaining satisfactory approvals and/or the imposition of unfavourable terms or conditions in the approvals to be obtained could have an adverse effect on the business, financial condition

or results of operations of the Company or could result in the termination of the Arrangement Agreement. If (a) Shareholders choose not to approve the Arrangement, (b) the Company otherwise fails to satisfy, or fails to obtain a waiver of the satisfaction of, the closing conditions to the transaction and the Arrangement is not completed, (c) a Material Adverse Effect has occurred that results in the termination of the Arrangement Agreement, or (d) any legal proceeding results in enjoining the transactions contemplated by the Arrangement, the Company could be subject to various adverse consequences, including that the Company would remain liable for significant costs relating to the Arrangement, including, among others, legal, accounting, financial advisory and printing expenses, and Fairfax no longer providing the Company with sufficient funds to conduct its ordinary course of business operations beyond its existing commitments.

Interim Covenants

Under the Arrangement Agreement, the Company must generally conduct its business in the ordinary course, and before the completion of the Arrangement or termination of the Arrangement Agreement, the Company is restricted from taking certain specified actions without the consent of the Purchaser. See "*Arrangement Agreement – Covenants – Conduct of the Business of Farmers Edge*".

Interests of Directors and Officers

In considering the recommendation of the Special Committee and the Board to vote in favour of the Arrangement Resolution, Shareholders should be aware that certain members of the Board and officers of the Company may have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Shareholders, generally. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

No Interest in the Company Following the Arrangement

Following the Arrangement, Shareholders will no longer hold any of the Common Shares and Shareholders will forego any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations in respect of the Arrangement generally applicable to a beneficial owner of Common Shares (other than an Excluded Shareholder) who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm's length with the Company, the Purchaser and their respective affiliates, (ii) is not affiliated with the Company, the Purchaser or any of their respective affiliates, (iii) disposes of their Common Shares under the Arrangement, and (iv) holds their Common Shares as capital property (a "**Holder**").

Generally, the Common Shares will be capital property to a Holder unless the Common Shares are held or were acquired in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Resident Holders (as defined below) whose Common Shares might not otherwise be capital property may, in some circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such Common Shares and every other "Canadian security" (as defined in the Tax Act) owned by them deemed to be capital property in the taxation year of the election and in all subsequent taxation years. Such Resident Holders should consult their own tax advisors for advice with respect to

whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

This summary does not address the tax consequences of the Arrangement to holders of Company Options, Company DSUs, Company PSUs, Company Restricted Shares, Company RSUs and Company SARs. **Such holders should consult their own tax advisors.**

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the existing case law and the administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by legislative, regulatory, administrative or judicial action or decision, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may be different from those discussed in this summary.

This summary is not applicable to a Holder (i) that is a "financial institution" as defined in the Tax Act for the purposes of the "mark-to-market property" rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) who has acquired Common Shares on the exercise of an employee stock option or through another equity based employment compensation arrangement; (iv) an interest in which is, or whose Common Shares are, a "tax shelter investment" as defined in the Tax Act; (v) that is exempt from tax under Part I of the Tax Act, (vi) who reports its "Canadian tax results" within the meaning of section 261 of the Tax Act in a currency other than Canadian currency; or (vii) that has entered into or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" as defined in the Tax Act in respect of the Common Shares. Such Holders should consult their own tax advisors with respect to the income tax consequences applicable to the Arrangement. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Common Shares or any other tax issues related to such borrowing.

This summary is of a general nature only and is not, 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. Accordingly, Holders should consult their own tax advisors with respect to the tax consequences of the Arrangement having regard to their own particular circumstances, and any other consequences to them of such transactions under Canadian federal, provincial, local and foreign tax laws.

Where an amount that is relevant in computing a Holder's Canadian tax results is expressed in a currency other than Canadian currency, such amount must generally be converted to Canadian currency using the rate quoted by the Bank of Canada on the day such amount first arose, or using such other rate of exchange as is acceptable to the Minister of National Revenue (Canada).

Holders Resident in Canada

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

Disposition of Common Shares under the Arrangement

Generally, a Resident Holder (other than a Resident Dissenting Shareholder, defined below) who disposes of Common Shares under the Arrangement will realize a capital gain (or capital loss) equal to the amount by which the total Consideration received by the Resident Holder under the Arrangement exceeds (or is less than) the aggregate of the adjusted cost base of the Common Shares to the Resident Holder and any reasonable costs of disposition. The taxation of capital gains and capital losses is discussed below under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*".

Dissenting Resident Holders

A Resident Holder who has validly exercised that Resident Holder's Dissent Right (a "**Resident Dissenting Shareholder**") will be deemed to have transferred such Resident Dissenting Shareholder's Common Shares to the Purchaser and will be entitled to receive from the Purchaser a payment of an amount equal to the fair value of such Holder's Common Shares.

In general, a Resident Dissenting Shareholder will realize a capital gain (or capital loss) equal to the amount by which the consideration received in respect of the fair value of the Resident Dissenting Shareholder's Common Shares (other than in respect of interest awarded by a court) exceeds (or is less than) the aggregate of the adjusted cost base of such Common Shares and any reasonable costs of disposition. See "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*" below. Any interest awarded by a court to a Resident Dissenting Shareholder is required to be included in the Holder's income for the purposes of the Tax Act.

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 by the Resident Holder in the 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 in the year. Allowable capital losses in excess of taxable capital gains may 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 by the Resident Holder 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 Common Share may be reduced by the amount of certain dividends received (or deemed to be received) by it on such Common Share to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such Common Share, directly or indirectly through a partnership or trust. Resident Holders to whom these rules may apply are urged to consult their own tax advisor.

A Resident Holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Tax Act) or that is a "substantive CCPC" (as defined in Proposed Amendments contained in Bill C-59, *An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 21, 2023 and certain provisions of the budget tabled in Parliament on March 28, 2023*), may be liable for an additional tax (refundable in certain circumstances in accordance with the Tax Act) on its "aggregate investment income", which is defined to include an amount in respect of taxable capital gains.

Capital gains realized by an individual or a trust, other than certain trusts, may give rise to a liability for alternative minimum tax under the Tax Act. Proposed Amendments contained in draft legislation released on August 4, 2023 would expand the scope of the alternative minimum tax rules. Resident Holders should consult their own advisors with respect to the potential application of alternative minimum tax.

Holders Not Resident in Canada

The following portion of this summary is applicable to a Holder who, for the purposes of the Tax Act and any applicable income tax treaty, and at all relevant times, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that is an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Disposition of Common Shares under the Arrangement

A Non-Resident Holder who disposes of Common Shares under the Arrangement will realize a capital gain or a capital loss computed in the manner described above under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*". A Non-Resident Holder will not be subject to tax under the Tax Act on any taxable capital gain, or entitled to deduct any allowable capital loss, realized on the disposition of Common Shares under the Arrangement unless the Common Shares are "taxable Canadian property" (within the meaning of the Tax Act) to the Non-Resident Holder at the disposition time and do not constitute "treaty-protected property" for purposes of the Tax Act.

In general, provided that the Common Shares are listed on a "designated stock exchange" (as defined in the Tax Act, and which currently includes the TSX) at the disposition time, such Common Shares will not be taxable Canadian property to a Non-Resident Holder unless, at any time during the 60 month period immediately preceding the disposition time, (i) at least 25% of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to any combination of (a) the Non- Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length, and (c) partnerships in which the Non-Resident Holder or a person described in (b) held a membership interest directly or indirectly through one or more partnerships; and (ii) at such time, more than 50% of the fair market value of the Common Shares was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, the Common Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act.

Even if the Common Shares are considered to be taxable Canadian property of a Non-Resident Holder, a taxable capital gain resulting from the disposition of such Common Shares under the Arrangement will not be included in the Non-Resident Holder's income for purposes of the Tax Act if the Common Shares constitute "treaty-protected property" (as defined in the Tax Act). Common Shares owned by a Non-Resident Holder will generally be treaty-protected property if the gain from the disposition of such Common Shares would, because of an applicable income tax treaty, be exempt from tax under the Tax Act.

In the event that the Common Shares constitute taxable Canadian property but not treaty-protected property to a Non-Resident Holder, then the tax consequences described above under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Common Shares under the Arrangement*" and "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*" will generally apply (subject to certain adjustments including being calculated as if the only taxable capital gains and allowable capital losses of the Non-Resident Holder were taxable capital gains and allowable capital losses from the disposition of taxable Canadian properties other than treaty-protected properties). A Non-Resident Shareholder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the taxation year in which the disposition occurs, regardless of whether the Non-Resident Shareholder is liable for Canadian tax on any gain realized as a result.

A Non-Resident Holder whose Common Shares may be "taxable Canadian property" should consult its own tax advisor, including with regard to any Canadian tax compliance or reporting requirement arising from this transaction.

Non-Resident Dissenting Shareholders

A Non-Resident Holder who has validly exercised that Non-Resident Holder's Dissent Right (a "**Non-Resident Dissenting Shareholder**") will be deemed to have transferred such Non-Resident Dissenting Shareholder's Common Shares to the Purchaser and will be entitled to receive a payment of an amount equal to the fair value of the Non-Resident Dissenting Shareholder's Common Shares.

Non-Resident Dissenting Shareholders will generally realize a capital gain (or capital loss) in the same manner as a Resident Dissenting Shareholder as described above under the headings "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*".

The income tax treatment of a capital gain (or capital loss) realized by a Non-Resident Dissenting Shareholder will generally be the same as described above under the headings "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of Common Shares under the Arrangement*".

The amount of any interest awarded by a court to a Non-Resident Dissenting Shareholder will not be subject to Canadian withholding tax provided that such interest is not "participating debt interest" (as defined in the Tax Act). Non-Resident Dissenting Shareholders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

DISSENTING SHAREHOLDERS' RIGHTS

Registered Shareholders have been provided with the right to dissent in respect of the Arrangement Resolution in the manner provided in section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement ("**Dissent Rights**"). The following summary is qualified in its entirety by the provisions of section 190 of the CBCA, the Interim Order and the Plan of Arrangement.

Any Registered Shareholder who validly exercises Dissent Rights (a "**Dissenting Shareholder**"), may be entitled, in the event the Arrangement becomes effective, to be paid by the Purchaser the fair value of the Common Shares held by such Dissenting Shareholder, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted. A Dissenting Shareholder will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares. Shareholders are cautioned that fair value could be determined to be less than the amount per Common Share payable pursuant to the terms of the Arrangement.

Section 190 of the CBCA provides that a Dissenting Shareholder may only make a claim under that section with respect to all of the Common Shares held by the Dissenting Shareholder on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. **One consequence of this provision is that a Registered Shareholder may exercise Dissent Rights only in respect of Common Shares that are registered in that Registered Shareholder's name.** In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Dissenting Shareholder's Dissenting Shares.

In many cases, Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (a) in the name of an Intermediary, or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. Accordingly, a Non-Registered Shareholder will not be entitled to exercise its Dissent Rights directly (unless the Common Shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Common Shares and either: (i) instruct the Intermediary to exercise Dissent Rights on the Non-Registered Shareholder's behalf (which, if the Common Shares are registered in the name of CDS Clearing and Depository Services Inc. or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Common Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Shareholder would be able to exercise Dissent Rights directly.

A Registered Shareholder wishing to exercise Dissent Rights with respect to the Arrangement must send to the Company a Dissent Notice, which the Company must receive, c/o General Counsel at 25 Rothwell Road, Winnipeg, Manitoba, R3P 2M5, by no later than 5:00 p.m. (Central Time) on March 13, 2024 (or not later than 5:00 p.m. (Central Time) that is two business days immediately preceding the date of the adjourned or postponed Meeting if the Meeting is adjourned or postponed), and must otherwise strictly comply with the dissent procedures described in this Circular, the Interim Order, the Plan of Arrangement and section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting. No Registered Shareholder who has voted FOR the Arrangement Resolution shall be entitled to exercise Dissent Rights with respect to its Common Shares. **A vote against the Arrangement Resolution, an abstention from voting, or a proxy submitted instructing a proxyholder to vote against the Arrangement Resolution does not constitute a Dissent Notice**, but a Registered Shareholder need not vote its Common Shares against the Arrangement Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxyholder to vote FOR the Arrangement Resolution does not constitute a Dissent Notice. However, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Arrangement Resolution, should be validly revoked in order to prevent the proxyholder from voting such Common Shares for of the Arrangement Resolution and thereby causing the Registered Shareholder to forfeit his or her Dissent Rights.

Within ten days after Shareholders adopt the Arrangement Resolution, the Company is required to notify each Dissenting Shareholder that the Arrangement Resolution has been adopted. Such notice is not required to be sent to any Shareholder who voted FOR the Arrangement Resolution or who has withdrawn its Dissent Notice.

A Dissenting Shareholder who has not withdrawn its Dissent Notice prior to the Meeting must then, within 20 days after receipt of notice that the Arrangement Resolution has been adopted, or if a Dissenting Shareholder does not receive such notice, within 20 days after learning that the Arrangement Resolution has been adopted, send to the Company a written notice containing his or her name and address, the number of Common Shares in respect of which he or she dissents (the "**Dissenting Shares**"), and a demand for payment of the fair value of such Dissenting Shares (the "**Demand for Payment**"). Within thirty days after sending a Demand for Payment, a Dissenting Shareholder must send to the Company certificates representing the Common Shares in respect of which he or she dissents. The Company will or will cause Computershare to endorse on the applicable Common Share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return such Common Share certificates to a Dissenting Shareholder.

Failure to strictly comply with the requirements set forth in section 190 of the CBCA, as modified by the Plan of Arrangement and Interim Order, may result in the loss of any right to dissent.

After sending a Demand for Payment, a Dissenting Shareholder ceases to have any rights as a Shareholder in respect of its Dissenting Shares other than the right to be paid the fair value of the Dissenting Shares held by such Dissenting Shareholder, except where: (i) a Dissenting Shareholder withdraws its Dissent Notice before the Company makes an offer to pay (an "**Offer to Pay**"), or (ii) the Company fails to make an Offer to Pay and a Dissenting Shareholder withdraws the Demand for Payment, in which case a Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date of the Demand for Payment.

Pursuant to the Plan of Arrangement, in no circumstance shall the Company or the Purchaser or any other person be required to recognize any Dissenting Shareholder as a Shareholder in respect of which Dissent Rights have been validly exercised after the time that is immediately prior to the Effective Time and the names of such Dissenting Shareholders shall be removed from the registers of holders of Common Shares in respect of which Dissent Rights have been validly exercised at the Effective Time and the Purchaser shall be recorded as the registered

holder of such Common Shares and shall be deemed to be the legal owner of such Common Shares.

In addition to any other restrictions under section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options, Company DSUs, Company PSUs, Company Restricted Shares, Company RSUs or Company SARs, and (ii) Shareholders who vote or have instructed a proxyholder to vote such Common Shares FOR the Arrangement Resolution (but only in respect of such Common Shares).

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as any Shareholder who is not a Dissenting Shareholder.

The Company is required, not later than seven days after the later of the Effective Date or the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment, an Offer to Pay for its Dissenting Shares in an amount considered by the Board to be the fair value of the Common Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay for Common Shares must be on the same terms. The Purchaser must pay for the Dissenting Shares of a Dissenting Shareholder within ten days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if the Company does not receive an acceptance within thirty days after the Offer to Pay has been made.

If the Company fails to make an Offer to Pay for Dissenting Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, the Company may, within fifty days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value for the Dissenting Shares. If the Company fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

If the Company or a Dissenting Shareholder makes an application to court, the Company will be required to notify each affected Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel. Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissenting Shares of all Dissenting Shareholders. The final order of a court will be rendered against the Company in favour of each Dissenting Shareholder for the amount of the fair value of its Dissenting Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

The foregoing is only a summary of the provisions of the CBCA regarding the rights of Dissenting Shareholders (as modified by the Plan of Arrangement and the Interim Order), which are technical and complex. Shareholders are urged to review a complete copy of section 190 of the CBCA, attached as Appendix D to this Circular, and those Shareholders who wish to exercise Dissent Rights are also advised to seek legal advice, as failure to comply strictly with the provisions of the CBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss or unavailability of their Dissent Rights.

DEPOSITARY

Computershare Investor Services Inc. will act as the Depositary for the receipt of share certificates representing the Common Shares and related Letters of Transmittal and the payments to be made to the Shareholders (other than the Excluded Shareholders and the Dissenting Shareholders) pursuant to the Arrangement. The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified by the Company against certain liabilities under applicable Securities Laws and expenses in connection therewith.

No fee or commission is payable by any holder of Common Shares who transmits its Common Shares directly to the Depositary. Except as set forth elsewhere in this Circular, the Company will not pay any fees or commissions to any broker or dealer or any other person for soliciting deposits of Common Shares pursuant to the Arrangement.

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Circular or require assistance in completing your Proxy, please contact Computershare, 1-800-564-6253 (toll-free within North America) or at 514-982-7555 (outside of North America). Questions on how to complete the Letter of Transmittal should be directed to the Depositary, Computershare Investor Services Inc., at 1-800-564-6253 (toll-free in North America) or at 514-982-7555 (outside of North America) or by email at corporateactions@computershare.com.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon for the Company and ArrangeCo by McCarthy Tétrault LLP, insofar as Canadian legal matters are concerned.

Certain legal matters in connection with the Arrangement will be passed upon for the Purchaser and FFHL by Torys LLP, insofar as Canadian legal matters are concerned.

ADDITIONAL INFORMATION

You may obtain a copy of the Company's latest annual information form, the Company's annual audited consolidated financial statements for the financial year ended December 31, 2022 together with the report of the auditors thereon, management's discussion and analysis of the Company's financial condition and results of operations for the financial year ended December 31, 2022, any of the Company's interim consolidated financial statements for periods subsequent to the end of the Company's 2022 fiscal year, the Company's management proxy circular for its Annual and Special Meeting held on May 31, 2023 and this Circular, upon request to the Company's Corporate Secretary. If you are a Shareholder, there will be no charge to you for these documents. You can also find these documents as well as additional information relating to the Company on its website (www.farmersedge.ca) or on SEDAR+ (www.sedarplus.ca).

Any statement contained in this Circular or in any other document incorporated by reference in this Circular shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which is also deemed to be incorporated by reference in this Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior

statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Circular except as so modified or superseded.

APPROVAL BY THE DIRECTORS

The Board has approved the content and delivery of this Circular

(Signed) "*Steven Mills*"

Steven Mills
Director and Chair of the Special Committee

GLOSSARY OF TERMS

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and one or more of its wholly-owned Subsidiaries or between or among one or more of the Company's wholly-owned Subsidiaries, any offer, proposal or inquiry (written or oral) from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*) other than the Purchaser (or any affiliate of the Purchaser) relating to: (i) any direct or indirect sale, disposition, alliance or joint venture (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of assets (including shares of Subsidiaries of the Company) representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting, equity or other securities of the Company (or rights or interests therein or thereto); (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for securities or equity interests) of the Company; (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries whose assets represent 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries; or (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries.

"**allowable capital loss**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Common Shares under the Arrangement*".

"**Amalco**" means the corporation formed by the amalgamation of the Company and ArrangeCo pursuant to the Plan of Arrangement.

"**Amalco Shares**" means the common shares of Amalco.

"**Annual Information Form**" means the annual information form of the Company dated March 14, 2023.

"**Arora PSUs**" means the Company PSUs issued to Mr. Vibhore Arora pursuant to the performance share unit award agreement dated June 28, 2023 between the Company and Mr. Vibhore Arora.

"**ArrangeCo**" means 15736676 Canada Inc., a corporation incorporated under the CBCA, being a direct wholly-owned subsidiary of the Company.

"**Arrangement**" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company, ArrangeCo and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated January 22, 2024, between the Company, 15635594 CANADA INC. as Purchaser, and Fairfax Financial Holdings Limited as Guarantor.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting by Shareholders, the full text of which is outlined in Appendix A of this Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by Subsection 192(6) of the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company, ArrangeCo and the Purchaser, each acting reasonably.

"**BMO**" means BMO Nesbitt Burns Inc.

"**Board**" means the Board of Directors of the Company.

"**Board Recommendation**" has the meaning ascribed thereto under the subheading "*The Arrangement – Recommendation of the Board*".

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any statutory holiday in Winnipeg, Manitoba or Toronto, Ontario.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 192(7) of the CBCA in respect of the Articles of Arrangement giving effect to the Arrangement.

"**Change in Recommendation**" has the meaning ascribed thereto under the subheading "*Arrangement Agreement – Termination of the Arrangement Agreement*".

"**Circular**" means this management proxy circular of the Company dated February 8, 2024, together with all appendices hereto, distributed to Shareholders in connection with the Meeting.

"**Collateral Benefit**" has the meaning ascribed thereto under MI 61-101.

"**Common Shares**" means the common shares of the Company.

"**Company**" or "**Farmers Edge**" means Farmers Edge Inc.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Arrangement Agreement and delivered by the Company to the Purchaser with the Arrangement Agreement.

"**Company DSUs**" means the deferred share units granted by the Company and governed by the Company Incentive Plan.

"**Company Filings**" means all documents publicly filed on SEDAR+ by or on behalf of the Company on or after January 1, 2023.

"**Company Incentive Plan**" means the amended and restated long-term incentive plan of the Company effective as of May 31, 2023.

"**Company Options**" means options to purchase Common Shares granted by the Company pursuant to the Company Incentive Plan.

"**Company PSUs**" means the performance share units granted by the Company and governed by the Company Incentive Plan.

"**Company Restricted Shares**" has the meaning ascribed to "Restricted Shares" in the Company Incentive Plan.

"**Company RSUs**" means the restricted share units granted by the Company and governed by the Company Incentive Plan.

"**Company SARs**" means stock appreciation rights granted by the Company and governed by the Company Incentive Plan.

"**Computershare**" means Computershare Investor Services Inc.

"**Consideration**" means $0.35 in cash for each Common Share of the Company.

"**Contract**" means any agreement, commitment, engagement, contract, franchise, licence, lease, obligation, undertaking or joint venture (written or oral) to which the Company or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

"**Court**" means the Court of King's Bench of Manitoba.

"**Credit Agreement**" means the amended and restated credit agreement dated July 8, 2022, as amended, between the Company, HWIC, an affiliate of the Purchaser, HWIC, as administrative agent, and each of the Company's subsidiaries party as guarantors thereto.

"**Demand for Payment**" has the meaning ascribed thereto under the subheading "*Dissenting Shareholders' Rights*".

"**Depositary**" means Computershare Investor Services, Inc., or such other Person as the Parties may jointly appoint to act as depositary in relation to the Arrangement, each acting reasonably.

"**Director**" means the Director duly appointed under Section 260 of the CBCA.

"**Dissent Notice**" means a notice exercising Dissent Rights sent by no later than 5:00 p.m. (Central Time) on March 13, 2024 (or not later than 5:00 p.m. (Central Time) that is two business days immediately preceding the date of the adjourned or postponed Meeting if the Meeting is adjourned or postponed).

"**Dissent Rights**" has the meaning ascribed thereto under the heading "*Dissenting Shareholders' Rights*".

"**Dissenting Resident Holder**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Non-Resident Dissenting Shareholders*".

"**Dissenting Shareholder**" has the meaning ascribed thereto under the subheading "*Dissenting Shareholders' Rights*".

"**Effective Date**" means the date shown on the Certificate of Arrangement to be endorsed by the Director on the Articles of Arrangement giving effect to the Arrangement in accordance with the CBCA.

"**Effective Time**" means 12:01 a.m. (Central Time) on the Effective Date, or such other time as the Purchaser, ArrangeCo and the Company may agree to in writing before the Effective Date.

"**Engagement Letter**" means the engagement letter dated December 12, 2023 pursuant to which the Company formally engaged BMO Nesbitt Burns Inc.

"**Excluded Shareholders**" means each of the Fairfax entities that owns Common Shares and Mr. Vibhore Arora.

"**Excluded Shares**" means the Common Shares which are held by the Excluded Shareholders.

"**Fairfax**" means, collectively, FFHL and its controlled affiliates.

"**FFHL**" or "**Guarantor**" means Fairfax Financial Holdings Limited, a corporation incorporated under the CBCA.

"**Final Order**" means the final order of the Court pursuant to Section 192(4) of the CBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**Formal Valuation and Fairness Opinion**" means the independent formal valuation of the Common Shares provided by BMO in accordance with the requirements of MI 61-101 prepared under the supervision of the Special Committee, and the opinion of BMO to the effect that, as of January 22, 2024, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such holders, a copy of which is attached as Appendix E to this Circular.

"**Goodmans**" means Goodmans LLP.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

"**Holder**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*".

"**HWIC**" means Hamblin Watsa Investment Counsel Ltd., a corporation incorporated under the CBCA.

"**Incentive Securities**" means, collectively, Company Options, Company PSUs (including the Arora PSUs), Company RSUs, Company DSUs, Company Restricted Shares and Company SARs.

"**Indemnified Party**" has the meaning ascribed thereto under the subheading "*Arrangement Agreement – Covenants – Insurance and Indemnification*".

"**In-the-Money Company Option**" means, as of immediately before the Effective Time, a Company Option that is outstanding where the Consideration exceeds the exercise price per Common Share subject to such Company Option.

"**Intellectual Property Rights**" means, individually and collectively, howsoever created and wherever located: (i) all domestic and foreign patents and applications thereof and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; (ii) all inventions (whether patentable or not), invention disclosures, improvements, trade secrets, proprietary information, know-how, technology, technical data, schematics and customer lists, and all documentation relating to any of the foregoing; (iii) all copyrights, copyrightable works, copyright registrations and applications thereof, and all other rights corresponding thereto; (iv) all trade-marks, service marks, trade names, domain names, corporate names, business names, brand names, trade dress, logos, slogans, and other indicia of origin, whether registered or unregistered, and registrations and applications for the same, along with all goodwill connected with the use of and symbolized by the same; (v) any proprietary rights in computer programs, applications and software (both in source code and object code form), including documentation and other materials related thereto; (vi) all industrial designs, integrated circuit design, mask work, or topography registrations or applications thereof; and (vii) other intellectual or industrial property whatsoever.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company, ArrangeCo and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company, ArrangeCo and the Purchaser, each acting reasonably.

"**Intermediary**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Non-Registered Shareholders*".

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic, multi-national or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.

"**Letter of Transmittal**" means the letter of transmittal for Registered Shareholders.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Management**" means the management of the Company.

"**Material Adverse Effect**" means any fact or state of facts, circumstance, change, effect, occurrence or event that, individually or in the aggregate, is, or individually or in the aggregate would reasonably be expected to be, material and adverse to the assets, business, operations, property, results of operations, financial condition or liabilities (contingent or otherwise) of the Company and its Subsidiaries, on a consolidated basis, but excluding any such fact or state of facts, circumstance, change, effect, occurrence or event to the extent resulting from or arising in connection with:

(a) any change or development generally affecting the industries in which the Company or any of its Subsidiaries operate;

(b) any change in Law, IFRS or regulatory accounting requirements or in the interpretation, application or non-application of the foregoing by any Governmental Entity,

(c) any change in general economic, business, regulatory, political (including strikes, lockouts, protests, riots or facility takeover for emergency purposes), financial, capital, securities, credit, commodity or currency market conditions, including any change in interest, inflation or exchange rates, in any jurisdiction in which the Company or any of its Subsidiaries operate;

(d) any change resulting from any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;

(e) any pandemic or outbreak of illness (including any worsening thereof) or other health crisis or public health event occurring after the date hereof;

(f) any earthquake or other natural disaster;

(g) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries, which is required to be taken (or omitted to be taken) pursuant to the Arrangement Agreement or that is consented to by the Purchaser;

(h) the announcement of the Arrangement Agreement or the pendency or consummation of the Arrangement or the transactions contemplated hereby;

(i) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may, to the extent not otherwise excluded by (a) through (h), be taken into account in determining whether a Material Adverse Effect has occurred);

(j) any failure of the Company or any of its Subsidiaries to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flows (it being understood that the causes underlying such failure may, to the extent not otherwise excluded by (a) through (h), be taken into account in determining whether a Material Adverse Effect has occurred);

(k) any change or announcement of a potential change in the credit ratings in respect of the Company or any of its Subsidiaries or any change in any analyst recommendations or ratings with respect to the Company (it being understood that

the causes underlying such change may, to the extent not otherwise excluded by (a) through (h), be taken into account in determining whether a Material Adverse Effect has occurred); or

(l) any matter expressly disclosed in the Company Disclosure Letter or in the Company Filings prior to the date hereof;

provided, however, in the case of each of the foregoing (a) through (d), only to the extent such matter does not have a material disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other companies and entities operating in the industries in which the Company and/or its Subsidiaries operate, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretative for the purposes of determining whether a Material Adverse Effect has occurred.

"**Material Contract**" means any Contract:

(a) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect;

(b) in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition of assets (other than inventory or supplies required in the Ordinary Course) or securities or other equity interests of another Person for aggregate consideration under such Contract in excess of $3,000,000;

(c) restricting the ability of the Company or any of its Subsidiaries to offer to purchase or purchase the assets or equity securities of another Person;

(d) which entitles a party to rights of termination, the terms or conditions of which may or will be altered in any material respect, or which entitle a party to any fee, payment, penalty or increased consideration, in each case as a result of the execution of the Arrangement Agreement, the consummation of the transactions contemplated hereby;

(e) in respect of a partnership, joint venture or similar arrangement in which the interest of the Company and/or its Subsidiaries exceeds $3,000,000 (book value or fair market value);

(f) pursuant to which the Company or any of its Subsidiaries has guaranteed any liabilities or obligations of another Person;

(g) in respect of Senior Indebtedness (currently outstanding or which may become outstanding) for borrowed money;

(h) pursuant to which the Company or any of its Subsidiaries has granted to a third-party an exclusive license to any Intellectual Property Rights, or a license or right to use any other Intellectual Property Rights that are material to the business of the Company or any of its Subsidiaries; or

(i) that limits or restricts in any material respect (A) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic

area, or (B) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or deliver services.

"**McCarthy**" means McCarthy Tétrault LLP.

"**MD&A**" has the meaning ascribed thereto under the subheading "*Risk Factors – Risks Related to Farmers Edge*".

"**Meeting**" has the meaning ascribed thereto under the heading "*Management Proxy Circular*".

"**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

"**Minority Shareholders**" has the meaning ascribed thereto under the subheading "*The Arrangement – Certain Legal Matters – Securities Law Matters – Minority Vote*".

"**Misrepresentation**" has the meaning ascribed thereto under Securities Laws.

"**Non-Registered Shareholder**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Non-Registered Shareholders*".

"**Non-Resident Dissenting Shareholder**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Non-Resident Dissenting Shareholders*".

"**Non-Resident Holder**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*".

"**Notice of Meeting**" means the notice of meeting accompanying this Circular.

"**Offer to Pay**" has the meaning ascribed thereto under the heading "*Dissenting Shareholders' Rights*".

"**Ordinary Course**" means, with respect to an action taken or to be taken, or an inaction take or to be taken, by the Company or its Subsidiaries, that such action or inaction is consistent with the past practices of the Company or its Subsidiaries, and is taken in the ordinary course of the normal day-to-day operations of the business of the Company or its Subsidiaries.

"**Osmington''** means Osmington Inc.

"**Out-of-the-Money Company Option**" means, as of immediately before the Effective Time, a Company Option that is outstanding and that is not an In-the-Money Company Option.

"**Outside Date**" means, July 1, 2024, or such later date as may be agreed to in writing by the Parties.

"**Parties**" means the Company, the Guarantor and Purchaser, and "**Party**" means any one of them.

"**Person**" means any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form set out in the Arrangement Agreement, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning ascribed thereto under the heading "*The Arrangement – Covenants – Pre-Acquisition Reorganization*".

"**Preference Shares**" has the meaning ascribed thereto under the subheading "*Information Concerning Farmers Edge Inc. – Description of Share Capital*".

"**Presentation Date**" has the meaning ascribed thereto under the subheading "*The Arrangement – Certain Legal Matters – Court Approvals*".

"**Proceeding**" means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or known investigation commenced, brought, conducted or heard by or before, any court or other Governmental Entity arising out of or related to such Indemnified Party's service as a director or officer of the Company or any of its Subsidiaries or services performed by such persons at the request of the Company or any of its Subsidiaries at or prior to or following the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, including the approval or completion of the Arrangement Agreement and the Arrangement or any of the other transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated thereby.

"**Proposed Amendments**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*".

"**Proxy**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Date, Time and Place of Meeting*".

"**proxy voting deadline**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – How to Appoint a Proxyholder*".

"**Purchaser**" means 15635594 CANADA INC., a corporation incorporated under the CBCA.

"**Record Date**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Record Date*".

"**Registered Shareholder**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Registered Shareholders*".

"**Representative**" has the meaning ascribed thereto under the subheading "*Arrangement Agreement – Additional Covenants Regarding Non-Solicitation and Acquisition Proposals – Non-Solicitation*".

"**Resident Dissenting Shareholder**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*".

"**Resident Holder**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".

"**Securities Act**" means the *Securities Act* (Manitoba).

"**Securities Authority**" means the Manitoba Securities Commission and the applicable securities commissions or securities regulatory authority of a province or territory of Canada.

"**Securities Laws**" means the Securities Act and all rules, regulations, published notices and instruments thereunder, and all comparable securities Laws in each of the provinces and territories of Canada.

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval+.

"**Senior Indebtedness**" means, as of any particular time of determination, collectively, each obligation of the Company or its Subsidiaries at such time, whether outstanding on the date hereof or hereafter incurred that is secured by any mortgage, lien, pledge, charge (whether fixed or floating), security interest or other encumbrance of any kind, contingent or absolute and, for greater certainty, includes (i) all obligations of the Company or its Subsidiaries pursuant to the Credit Agreement, and (ii) all mortgages, debentures, charges or other encumbrances or financings in respect of the personal or real property of the Company or its Subsidiaries, which in each case by the terms of such obligation (whether or not evidenced by an instrument in writing).

"**Shareholders**" means the registered or beneficial holders of the Common Shares, as the context requires.

"**Special Committee**" has the meaning ascribed thereto under the subheading "*The Arrangement – Recommendation of the Special Committee*".

"**Subsidiary**" has the meaning ascribed thereto in the Securities Act.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**taxable capital gain**" has the meaning ascribed thereto under the subheading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Common Shares under the Arrangement*".

"**third party proxyholder**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – How to Appoint a Proxyholder*".

"**Torys**" means Torys LLP.

"**TSX**" means the Toronto Stock Exchange.

"**VIF**" has the meaning ascribed thereto under the subheading "*Information Concerning the Meeting and Voting – Date, Time and Place of Meeting*".

"**Voting Support Agreements**" means the Voting Support Agreements dated January 22, 2024 entered between the Purchaser and each of the Supporting Shareholders.

"**Willful Breach**" means a material breach of the Arrangement Agreement that is a consequence of an act undertaken by the breaching Party with the actual knowledge that the taking of such act

would, or would be reasonably expected to, cause a material breach of the Arrangement Agreement.

CONSENT OF BMO NESBITT BURNS INC.

We refer to the formal valuation and fairness opinion (the "**Formal Valuation and Fairness Opinion**") of our firm each dated January 22, 2024 attached as Appendix E to the management proxy circular dated February 8, 2024 (the "**Circular**") of Farmers Edge Inc. (the "**Company**") which we prepared for the exclusive benefit and use of the Special Committee of the Board of Directors of the Company in connection with their consideration of the Arrangement (as defined in the Circular).

In connection with the Arrangement, we hereby consent to the inclusion of the Formal Valuation and Fairness Opinion as Appendix E to the Circular, to the filing of the Formal Valuation and Fairness Opinion with the securities regulatory authorities in the provinces and territories of Canada, and to the inclusion of a summary of the Formal Valuation and Fairness Opinion, and the reference thereto, in the Circular. In providing such consent, we do not intend that any person other than the Special Committee and the Board of Directors of the Company shall be entitled to rely upon the Formal Valuation and Fairness Opinion. The Formal Valuation and Fairness Opinion was delivered as at January 22, 2024 and remains based upon and subject to the scope of review, and subject to the analyses, assumptions, limitations, qualifications and other matters described therein.

(Signed) "*BMO Nesbitt Burns Inc.*"

Toronto, Ontario

February 8, 2024

APPENDIX A
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving Farmers Edge Inc. (the "**Company**"), 15635594 CANADA INC. (the "**Purchaser**") and 15736676 Canada Inc. ("**ArrangeCo**") pursuant to the arrangement agreement dated January 22, 2024 (the "**Arrangement Agreement**") among the Company, Fairfax Financial Holdings Limited (the "**Guarantor**") and the Purchaser, all as more particularly described and set forth in the management proxy circular of the Company dated February 8, 2024 (the "**Circular**"), accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with its terms and all transactions contemplated therein) is hereby authorized, approved and adopted.

2. The plan of arrangement, as it has been or may be modified or amended in accordance with the Arrangement Agreement and its terms, involving the Company, the Purchaser and ArrangeCo (the "**Plan of Arrangement**"), the full text of which is set out as Appendix B to the Circular, is hereby authorized, approved and adopted.

3. The Arrangement Agreement and related transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the actions of the officers of the Company in executing and delivering the Arrangement Agreement and any modifications or amendments thereto are hereby ratified and approved.

4. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to apply for a final order from the Court of King's Bench of Manitoba (the "**Court**") 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 (as defined in the Arrangement Agreement) or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the shareholders of the Company: (a) to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement, as applicable; and (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, for filing with the Director under the CBCA, articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered,

all such other 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 force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such other document or instrument or the doing of any other such act or thing.

APPENDIX B
PLAN OF ARRANGEMENT

See attached.

PLAN OF ARRANGEMENT

UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, terms used herein that are not defined have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

(a) "**Arora PSUs**" means the Company PSUs issued to Vibhore Arora pursuant to the performance share unit award agreement dated June 28, 2023 between the Company and Vibhore Arora;

(b) "**ArrangeCo**" means 15736676 Canada Inc., a wholly-owned subsidiary of the Company incorporated under the CBCA;

(c) "**Arrangement**" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

(d) "**Arrangement Agreement**" means the arrangement agreement dated as of January 22, 2024 between the Purchaser, the Guarantor and the Company (including the Schedules attached thereto and the Company Disclosure Letter) as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms;

(e) "**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Company Meeting by Shareholders;

(f) "**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by Subsection 192(6) of the CBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

(g) "**Business Day**" means any day of the year, other than a Saturday, Sunday or any statutory holiday in Toronto, Ontario;

(h) "**CBCA**" means the *Canada Business Corporations Act*;

(i) "**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 192(7) of the CBCA in respect of the Articles of Arrangement giving effect to the Arrangement;

(j) "**Common Shares**" means the common shares in the capital of the Company;

(k) "**Company**" means Farmers Edge Inc., a corporation continued under the CBCA;

(l) "**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Shareholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement;

(m) "**Company DSUs**" means the deferred share units granted by the Company pursuant to the Company Incentive Plan;

(n) "**Company Incentive Plan**" means the amended and restated long-term incentive plan effective as of May 31, 2023;

(o) "**Company Meeting**" means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

(p) "**Company Options**" means options to purchase Common Shares granted by the Company and governed by the Company Incentive Plan;

(q) "**Company PSUs**" means the performance share units granted by the Company and governed by the Company Incentive Plan;

(r) "**Company Restricted Shares**" has the meaning ascribed to "Restricted Shares" in the Company Incentive Plan;

(s) "**Company RSUs**" means the restricted share units granted by the Company and governed by the Company Incentive Plan;

(t) "**Company SARs"** means stock appreciation rights granted by the Company and governed by the Company Incentive Plan;

(u) "**Consideration**" means $0.35 in cash per Common Share;

(v) "**Court**" means the Court of King's Bench of Manitoba;

(w) "**Depositary**" means Computershare Investor Services Inc., or such other Person as the Parties may jointly appoint to act as depositary in relation to the Arrangement, each acting reasonably;

(x) "**Director**" means the Director appointed pursuant to Section 260 of the CBCA;

(y) "**Dissent Rights**" has the meaning specified in Section 3.1;

(z) "**Dissenting Shareholder**" means a registered Shareholder who has validly exercised its Dissent Rights in accordance with Section 3.1, and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder;

(aa) "**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

(bb) "**Effective Time**" means 12:01 a.m. (Toronto Time) on the Effective Date, or such other time as the Purchaser and the Company may agree to in writing before the Effective Date;

(cc) "**Excluded Shares**" means the Common Shares set forth in Schedule A to this Plan of Arrangement;

(dd) "**Final Order**" means the final order of the Court pursuant to Subsection 192(4) of the CBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal;

(ee) "**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange;

(ff) "**Guarantor**" means Fairfax Financial Holdings Limited, a corporation incorporated under the *Canada Business Corporations Act*;

(gg) "**In-the-Money Company Option**" means, as of immediately before the Effective Time, a Company Option that is outstanding where the Consideration exceeds the exercise price per Common Share subject to such Company Option;

(hh) "**Incentive Securities**" means, collectively, the Company Options, Company PSUs (including the Arora PSUs), Company RSUs, Company DSUs, Company Restricted Shares and Company SARs;

(ii) "**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably;

(jj) "**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic, multi-national or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise;

(kk) "**Letter of Transmittal**" means the letter of transmittal sent by the Company to Shareholders together with the Company Circular for use in connection with the Arrangement;

(ll) "**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

(mm) "**Out-of-the-Money Company Option**" means, as of immediately before the Effective Time, a Company Option that is outstanding and that is not an In-the-Money Company Option;

(nn) "**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

(oo) "**Plan of Arrangement**" means this plan of arrangement and any amendments or variations made in accordance with the Arrangement Agreement or Section 5.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

(pp) "**Purchaser**" means 15635594 CANADA INC., a corporation incorporated under the CBCA, or its permitted assignee under the Arrangement Agreement and their respective successors;

(qq) "**Shareholders**" means the registered or beneficial holders of the Common Shares, as the context requires;

(rr) "**Tax Act**" means the *Income Tax Act* (Canada); and

(ss) "**TSX**" means the Toronto Stock Exchange.

Section 1.2 Number and Gender

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular number include the plural and vice versa, and words importing any gender include all genders.

Section 1.3 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into Articles, Sections, Subsections and other parts and the insertion of headings are for convenience only and shall not affect the construction or interpretation of this Plan of Arrangement.

Section 1.4 Date For Any Action

In the event that any date on or by which any action is required or permitted to be taken hereunder is not a Business Day, such action shall be required to be taken on or by the next succeeding day which is a Business Day.

Section 1.5 Time

All times expressed herein or in any Letters of Transmittal are local time (Toronto, Ontario) unless otherwise stipulated herein or therein.

Section 1.6 Currency

All references to currency in this Plan of Arrangement are to Canadian dollars, being lawful money of Canada, unless specified otherwise.

Section 1.7 Statutory References

Unless otherwise expressly provided herein, any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of, and forms part of, the Arrangement Agreement.

Section 2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective and be binding on: (i) the Company; (ii) the Purchaser; (iii) all registered and beneficial Shareholders (including Dissenting Shareholders); (iv) participants in the Company Incentive Plan; (v) all holders of Incentive Securities; (vi) the registrar and transfer agent of the Company; (vii) the Depositary; and (viii) all other Persons at and after the Effective Time without any further act or formality required on the part of any Person.

Section 2.3 Arrangement

Commencing at the Effective Time, each of the following events shall occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two (2) minute intervals starting at the Effective Time:

(a) The Purchaser shall advance by way of a loan to the Company an amount equal to the aggregate amount of cash required to be paid by the Company to the applicable holders of Incentive Securities pursuant to Section 2.3(d) and Section 2.3(j) and the Company will deliver to the Purchaser a duly issued and executed demand interest-free promissory note having a principal amount equal to the amount so advanced.

(b) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined in accordance with Section 3.1, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares as set out in Section 3.1;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(c) Each Out-of-the-Money Company Option, whether vested or unvested, that has not been duly exercised prior to the Effective Time shall be surrendered by the holder of such Out-of-the-Money Company Option to the Company, shall immediately be

cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Out-of-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Out-of-the-Money Company Option, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(d) Each Company RSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to Section 4.4, a cash payment from the Company equal to the Consideration per Company RSU, and each such Company RSU shall immediately be cancelled and terminated and, with respect to each Company RSU that is surrendered pursuant to this Section 2.3(d):

(i) the holder thereof shall cease to be the holder of such Company RSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company RSU, or under the Company Incentive Plan other than the right to receive the consideration to which such holder is entitled pursuant to this Section 2.3(d);

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(e) Each Company PSU, other than the Arora PSUs, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company PSU to the Company, shall immediately be cancelled and terminated without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company PSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company PSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(f) Each Company DSU, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company DSU to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company DSU;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company DSU, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(g) Each Company SAR, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company SAR to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company SAR;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company SAR, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(h) Each Company Restricted Share, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall be surrendered by the holder of such Company Restricted Share to the Company, shall immediately be cancelled without any payment by the Company in respect thereof and:

(i) the holder thereof shall cease to be the holder of such Company Restricted Share;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such Company Restricted Share, or under the Company Incentive Plan;

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(i) Each Common Share then outstanding other than Common Shares held by the Purchaser and other than the Excluded Shares, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted in accordance with Section 4.4, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(j) Each In-the-Money Company Option, whether vested or unvested, that is outstanding immediately prior to the Effective Time shall, notwithstanding the terms of the Company Incentive Plan or any applicable grant agreement in relation thereto, be surrendered by the holder thereof to the Company in exchange for, subject to Section 4.4, a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Common Share of such In-the-Money Company Option and each such In-the-Money Company Option shall immediately be cancelled and terminated and, with respect to each In-the-Money Company Option that is surrendered pursuant to this Section 2.3(j):

(i) the holder thereof shall cease to be the holder of such In-the-Money Company Option;

(ii) the holder thereof shall cease to have any rights as a holder in respect of such In-the-Money Company Option, or under the Company Incentive Plan, other than the right to receive the Consideration to which such holder is entitled pursuant to this Section 2.3(j);

(iii) such holder's name shall be removed from the applicable register; and

(iv) all agreements, grants and similar instruments relating thereto shall be cancelled.

(k) The Company Incentive Plan shall be terminated and be of no further force and effect.

(l) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00 without repayment of capital in respect thereof.

(m) The Company and ArrangeCo shall be amalgamated and continued as one corporation ("**Amalco**") under the CBCA in accordance with the following:

Name. The name of Amalco shall be "Farmers Edge Inc.";

Registered Office. The registered office of Amalco shall be located in the City of Winnipeg in the Province of Manitoba. The address of the registered office of Amalco shall be 1700 – 242 Hargrave Street Winnipeg, MB R3C 0V1;

Articles of Arrangement. The articles of arrangement of Amalco shall be the same as the articles of incorporation of the Company;

Authorized Capital. The authorized capital of Amalco shall be the authorized capital of the Company and for greater certainty shall be comprised of an unlimited number of common shares;

Stated Capital. The stated capital account of the common shares of Amalco shall be $1.00, being equal to the amount that is the stated capital of the Common Shares;

Number of Directors. Amalco shall have a minimum of one director and a maximum of ten directors, until changed in accordance with the CBCA. Until changed by the shareholders of Amalco, the number of directors of Amalco shall be set at 3;

Directors. The initial directors of Amalco shall be:

Name	Address	Resident Canadian
R. William McFarland	9 Gatcombe Circle, Richmond Hill, ON L4C 9P4	Yes
Quinn McLean	131 Bloor Street West, Apt 1210, Toronto, ON M5S 1R1	Yes
Vibhore Arora	25 Rothwell Road, Winnipeg, MB R3P 2M5	Yes

The aforementioned directors of Amalco shall hold office until the first annual meeting of shareholders of Amalco (or the signing of a written resolution in lieu thereof) or until their successors are elected or appointed;

Conversion or Cancellation of Securities. Each issued and outstanding common share of the Company shall be converted into one fully paid and, non-assessable common share of Amalco and the issued and outstanding securities of ArrangeCo shall be cancelled without any repayment of capital in respect thereof;

By-laws. The by-laws of Amalco shall be the same as those of the Company, except that the references therein to the Company shall be changed to Amalco; and

Effect of Amalgamation. The provisions of subsections 186 of the CBCA shall apply to the amalgamation with the result that, on the Effective Date:

(i) the amalgamation of the amalgamating corporations and their continuance as one corporation become effective;

(ii) the property of each amalgamating corporation continues to be the property of the amalgamated corporation;

(iii) the amalgamated corporation continues to be liable for the obligations of each amalgamating corporation;

(iv) an existing cause of action, claim or liability to prosecution is unaffected;

(v) a civil, criminal or administrative action or proceeding pending by or against an amalgamating corporation may be continued to be prosecuted by or against the amalgamating corporation;

(vi) a conviction against, or ruling, order or judgment in favour of or against, an amalgamating corporation may be enforced by or against the amalgamated corporation; and

(vii) the articles of arrangement are deemed to be the articles of incorporation of the amalgamated corporation and the certificate of arrangement is deemed to be the certificate of incorporation of the amalgamated corporation.

Upon completion of the above, the Common Shares shall be delisted from the TSX and the Company shall make an election to cease to be a "public corporation" under Subsection 89(1) of the Tax Act.

ARTICLE 3
RIGHTS OF DISSENT

Section 3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights with respect to the Common Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA as modified by the Interim Order, the Final Order and this Section 3.1 provided that, notwithstanding Subsection 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in Subsection 190(5) of the CBCA must be received by the Company not later than 5:00 p.m. (Toronto time) two (2) Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been

validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(b), and if they:

(a) ultimately are entitled to be paid fair value for such Common Shares, shall be deemed not to have participated in the transaction in Article 2 (other than Section 2.3(b)) in respect of such Common Shares, will be entitled to be paid the fair value of such Common Shares by the Purchaser, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such Shareholders not exercised their Dissent Rights in respect of such Common Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Common Shares, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Common Shares and shall be entitled to receive only the consideration contemplated in Section 2.3(b) hereof that such Shareholder would have received pursuant to the Arrangement if such Shareholder had not exercised Dissent Rights.

Section 3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Company, the Purchaser (or any of their respective successors) or any other Person be required to recognize Dissenting Shareholders as holders of Common Shares (in respect of which Dissent Rights have been validly exercised) after the completion of the transfer under Section 2.3(b), and the names of such Dissenting Shareholders shall be removed from the registers of holders of the Common Shares (in respect of which Dissent Rights have been validly exercised) at the same time as the event described in Section 2.3(b) occurs.

(c) In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Incentive Securities; (ii) Shareholders who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares); and (iii) the Purchaser or its affiliates.

ARTICLE 4
PAYMENT OF CONSIDERATION

Section 4.1 Letter of Transmittal

At the time of mailing the Company Circular or as soon as practicable thereafter, the Company shall forward to each Shareholder at the address of such person as it appears on the register maintained by or on behalf of the Company in respect of the Shareholders, a Letter of Transmittal.

Section 4.2 Exchange of Certificates for Cash or Amalco Shares

(a) Prior to the filing of the Articles of Arrangement, the Purchaser shall deliver to the Depositary by way of wire transfer, certified cheque or bank draft, sufficient funds to: (i) satisfy the aggregate amount of Consideration that the Shareholders are entitled to receive for their Common Shares (with the amount per Common Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration for this purpose) under this Plan of Arrangement and (ii) permit the Purchaser to make the loan to the Company contemplated by Section 2.3(a), which funds will be held by the Depositary for the benefit of the Purchaser until the Effective Time, and after the time for completion of the step in Section 2.3(a) such cash will be held by the Depositary for the benefit of the Company for distribution to the applicable former holders of Incentive Securities in accordance with the provisions of this Article 4. The cash deposited with the Depositary shall be held in an interest-bearing account, and any interest earned on such funds shall be for the account of the Purchaser or the Company, as applicable.

(b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to Section 2.3(i), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Shareholder, as soon as practicable after the Effective Time, the cash which such Shareholder has the right to receive under the Arrangement for such Common Shares, less any amounts withheld pursuant to Section 4.4, and any certificate so surrendered shall forthwith be cancelled.

(c) On or as soon as practicable after the Effective Date, the Company shall deliver, or cause to be delivered, to each holder of Company Options, Company PSUs (other than the Arora PSUs), Company RSUs, Company DSUs, Company SARs and Company Restricted Shares as reflected on the register maintained by or on behalf of the Company in respect of Company Options, Company PSUs (other than the Arora PSUs), Company RSUs, Company DSUs, Company SARs and Company Restricted Shares, a cheque or cash payment (or process the payment through the Company's payroll systems or such other means as the Company may elect or as otherwise directed by the Purchaser including with respect to the timing and manner or such delivery), if any, which such holder of Company Options, Company PSUs (other than the Arora PSUs), Company RSUs, Company DSUs, Company SARs and Company Restricted Shares has the right to receive under this Plan of Arrangement for such Company Options, Company PSUs (other than the Arora PSUs), Company RSUs, Company DSUs, Company SARs and Company Restricted Shares less any amount withheld pursuant to Section 4.4.

(d) Until surrendered as contemplated by this Section 4.2, each certificate which immediately prior to the Effective Time represented any Common Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Consideration per Common Share or, if applicable, an Amalco Share, in lieu of such certificate as contemplated in this Section 4.2, less any amounts withheld pursuant to Section 4.4. Any such certificate formerly representing Common Shares not duly surrendered on or before the sixth (6^{th}) anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company or the Purchaser. On such anniversary date, all certificates representing Common Shares shall be deemed to have been surrendered to the Purchaser and all Consideration to which such former Shareholder was entitled, together with any entitlements to dividends, distributions and interest thereon, shall be deemed to have been surrendered to the Purchaser or any successor thereof for no consideration, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(e) Any payment made by way of cheque by the Depositary (or, if applicable, the Company) pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary (or, if applicable, the Company) or that otherwise remains unclaimed, in each case on or before the sixth (6^{th}) anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the sixth (6^{th}) anniversary of the Effective Date, shall cease to represent a right or claim of any kind or nature and the right of the holder of Common Shares (other than the Excluded Shares) or Incentive Securities (other than the Arora PSUs) to receive the applicable consideration for such Common Shares or Incentive Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, or any successor thereof for no consideration.

(f) No holder of Common Shares (other than the Excluded Shares) or Incentive Securities (other than the Arora PSUs) shall be entitled to receive any consideration with respect to such Common Shares or such Incentive Securities other than any cash payment or other consideration to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.2 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment or distribution in connection therewith.

Section 4.3 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Shareholder claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration deliverable in accordance with Section 2.3 and such Shareholder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Shareholder to whom the such Consideration is to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to the Purchaser

(and its transfer agents) and the Depositary (acting reasonably) in such sum as the Purchaser may direct or otherwise indemnify the Purchaser and the Company in a manner satisfactory to the Purchaser and the Company, acting reasonably, against any claim that may be made against the Purchaser or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4.4 Withholding Rights

The Purchaser, the Company, Amalco, the Depositary and any other Person, as applicable, shall be entitled to deduct and withhold from the Consideration or any amounts otherwise payable or otherwise deliverable to any Person under this Plan of Arrangement, including without limitation any such amounts payable or deliverable to any Company Securityholders, including Shareholders exercising Dissent Rights, and from all dividends, other distributions or other amount otherwise payable to any Company Securityholders such amounts as the Purchaser, the Company, Amalco, the Depositary or such other Person, as applicable, are required or reasonably believe to be required to deduct and withhold from such amounts under any provision of any Laws in respect of Taxes. Any such amounts deducted or withheld shall be treated for all purposes under this Plan of Arrangement as having been paid to the Person in respect of which such deduction or withholding was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

Section 4.5 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

Section 4.6 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares and Incentive Securities issued or outstanding prior to the Effective Time, (b) the rights and obligations of the Shareholders, the holders of Incentive Securities, the Company, Amalco, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for 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 Common Shares and Incentive Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENT

Section 5.1 Amendment

The Purchaser, the Company and ArrangeCo may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement must be set out in writing, be approved by each of the Purchaser, the Company and ArrangeCo in a written document which is filed with the Court and, if made following the Company Meeting, approved by the Court and communicated to

Shareholders in the manner required by the Court (if so required), unless such amendment concerns a matter which, in the reasonable opinion of the Company, ArrangeCo and the Purchaser, is of an administrative nature and is not adverse to the economic interest of any Shareholder.

Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Purchaser, the Company and ArrangeCo (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by the Shareholders in the manner directed by the Court.

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

This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.3 in accordance with the terms of the Arrangement Agreement.

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

ARTICLE 6
FURTHER ASSURANCES

Section 6.1 Other Documents and Instruments

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

EXHIBIT A
EXCLUDED SHARES

Holder of Excluded Shares	Number of Excluded Shares
Vibhore Arora	114,214
Wentworth Insurance Company Ltd.	4,124,405
Federated Insurance Company of Canada	333,308
Northbridge General Insurance Corporation	571,429
United States Fire Insurance Company	4,960,433
The North River Insurance Company	4,657,440
Zenith Insurance Company	1,459,961
Allied World Assurance Company, Ltd	931,959
Allied World Insurance Company	476,190
Allied World Specialty Insurance Company	476,155
Odyssey Reinsurance Company	7,346,189
Brit Reinsurance (Bermuda) Limited	380,924

APPENDIX C
INTERIM ORDER

See attached.

File No. CI 24-01-44840

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:	An application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended
AND IN THE MATTER OF:	A Proposed Arrangement of FARMERS EDGE INC. and 15736676 CANADA INC., involving 15635594 CANADA INC.

FARMERS EDGE INC. and 15736676 CANADA INC.,

Applicants.

TRUE COPY

INTERIM ORDER

Thompson Dorfman Sweatman LLP
Barristers and Solicitors
1700 - 242 Hargrave Street
Winnipeg MB R3C 0V1
(Matter No. 0207553 JK)
(Ross A. McFadyen: 204-934-2378)
(Toll Free: 1-855-483-7529)
(Email: ram@tdslaw.com)

THE KING'S BENCH

WINNIPEG CENTRE

THE HONOURABLE	)	Thursday, the 8th day of February,
	)	2024
MR. JUSTICE CHARTIER	)	

IN THE MATTER OF:	An application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended
AND IN THE MATTER OF:	A Proposed Arrangement of FARMERS EDGE INC. and 15736676 CANADA INC., involving 15635594 CANADA INC.

FARMERS EDGE INC. and 15736676 CANADA INC.,

Applicants.

INTERIM ORDER

THIS MOTION, made by the Applicants, Farmers Edge Inc. (the "**Corporation**") and 15736676 Canada Inc. ("**ArrangeCo**") for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "***CBCA***"), was heard this day, at the Winnipeg Law Courts Building, 408 York Avenue in Winnipeg, Manitoba.

ON READING the Notice of Motion, the Notice of Application issued on February 6, 2024, the Affidavit of Steven Mills sworn February 6, 2024 (the "**Mills Affidavit**"), the Affidavit of Georgette Dobush affirmed February 7, 2024 (the

"**Dobush Affidavit**"), including the Plan of Arrangement, which is attached as Exhibit A to the Dobush Affidavit and referenced at Appendix B to the draft management proxy circular of the Corporation (the "**Circular**"), which is attached as Exhibit A to the Mills Affidavit, and on hearing the submissions of counsel for the Applicants, and on being advised that 15635594 CANADA INC. (the "**Purchaser**"), through its counsel supports the granting of this order, and on being advised that the Director appointed under the *CBCA* (the "**Director**") does not consider it necessary to appear:

Definitions

1. THIS COURT ORDERS THAT definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. THIS COURT ORDERS that the Corporation is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the holders of Common Shares (the "**Shareholders**") to be held in an exclusively virtual format on March 15, 2024 at 9:00 a.m. (Central Time) in order for the Shareholders to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix A to the Circular, to

approve the Plan of Arrangement pursuant to Section 192 of the *CBCA* involving the Corporation, ArrangeCo and the Purchaser, providing for among other things: (i) the acquisition by the Purchaser of all of the issued and outstanding Common Shares (other than the Common Shares held by the Excluded Shareholders), and (ii) each Shareholder (other than the Excluded Shareholders), except for the Dissenting Shareholders, will receive $0.35 in cash per Common Share. A copy of the Plan of Arrangement is attached to the Circular as Appendix B.

3. THIS COURT ORDERS that ArrangeCo is permitted to pass a special resolution in writing authorizing, adopting and approving, with or without variation, a special resolution to approve the Plan of Arrangement pursuant to section 192 of the CBCA involving the Corporation, ArrangeCo, and the Purchaser, providing for, among other things, the amalgamation of the Corporation and ArrangeCo.

4. THIS COURT ORDERS that the Meeting shall be called, held and conducted in accordance with the *CBCA*, the notice of meeting of Shareholders, which accompanies the Circular (the "**Notice of Meeting**") and the articles and by-laws of the Corporation, subject to what may be provided hereafter and subject to further order of this Court.

5. THIS COURT ORDERS that the record date (the "**Record Date**") for determination of the shareholders entitled to notice of, and to vote at, the Meeting shall be the close of business on February 6, 2024.

6. THIS COURT ORDERS that the only persons entitled to attend or speak at the Meeting shall be:

(a) the Shareholders or their respective proxy holders;

(b) the officers, directors, auditors and advisors of the Corporation and ArrangeCo;

(c) representatives and advisors of the Purchaser;

(d) the Director; and

(e) other persons who may receive the permission of the Chair of the relevant Meeting.

7. THIS COURT ORDERS that the Corporation may transact such other business at the Meeting as is contemplated by the Circular, or as may otherwise be properly before the Meeting.

Quorum

8. THIS COURT ORDERS that the Chair of the Meeting shall be determined by the Corporation and that the quorum necessary for a special meeting of Shareholders is at least two Shareholders, representing in person or by proxy at least 25% of the Corporation's outstanding voting shares.

Amendments to the Arrangement and Plan of Arrangement

9. THIS COURT ORDERS that the Corporation and ArrangeCo are authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 10, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as they may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 13 and 14 hereof, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

10. THIS COURT ORDERS that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement are made after initial notice is provided as contemplated in paragraph 13 herein, which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as the Corporation may determine.

Amendments to the Circular

11. THIS COURT ORDERS that the Corporation is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular, as so amended, revised and/or supplemental, shall be the Circular to be distributed in accordance with paragraphs 13 and 14.

Adjournments and Postponements

12. THIS COURT ORDERS that the Corporation, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to 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 Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method the Corporation may determine is appropriate in the circumstances. Subject to the terms of the Arrangement Agreement, this provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of the Meeting

13. THIS COURT ORDERS that, in order to effect notice of the Meeting, the Corporation shall send, or cause to be sent, the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the

letter of transmittal, along with such amendments or additional documents as the Corporation may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), to the following:

(a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods;

(i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of the Corporation, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Secretary of the Corporation;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any Shareholder, who is identified to the satisfaction of the Corporation, who requests

such transmission in writing and, if required by the Corporation, who is prepared to pay the charges for such transmission;

(b) non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101: *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

(c) the respective directors and auditors of the Corporation, and to the Director appointed under the *CBCA*, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

14. THIS COURT ORDERS that the Corporation is hereby directed to distribute the Circular (including the Notice of Application and this Interim Order) (collectively, the "**Court Materials**") to the holders of the Corporation's options, performance share units, deferred share units, restricted share units and any other

rights to acquire Common Shares of the Corporation by any method permitted for notice to Shareholders as set forth in paragraphs 13(a) or 13(b), above, concurrently with the distribution described in paragraph 13 of this Interim Order. Distribution to such persons shall be to their addresses as they appear on the books and records of the Corporation or its registrar and transfer agent at the close of business on the Record Date

15. THIS COURT ORDERS that accidental failure or omission by the Corporation to give notice of the meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of the Corporation, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of the Corporation, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

16. THIS COURT ORDERS that the Corporation and ArrangeCo. are hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials, as the Corporation and ArrangeCo may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to

paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as the Corporation and ArrangeCo may determine.

17. THIS COURT ORDERS that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 13 and 14 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 13 and 14 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 10, above.

Solicitation and Revocation of Proxies

18. THIS COURT ORDERS that the Corporation is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as the Corporation may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Each of the Corporation and ArrangeCo. is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or

such other forms of personal or electronic communication as it may determine. Subject to the terms of the Arrangement Agreement, the Corporation may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if Corporation deems it advisable to do so.

19. THIS COURT ORDERS that Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the *CBCA* (except as the procedures of that section are varied by this paragraph) by (a) completing and signing a proxy bearing a later date and depositing it with Computershare in accordance with the instructions set out in the Circular, or (b) depositing an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's personal representative authorized in writing (i) to Computershare no later than 9:00 a.m. (Central Time) on March 13, 2024 or in the case of any adjournment or postponement of the Meeting, not less than 48 hours, excluding Saturdays, Sundays, and holidays, prior to the commencement of such Meeting, (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed meeting on the day of such reconvened or postponed meeting, or (iii) in any other manner permitted by law.

Voting

20. THIS COURT ORDERS that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Common Shares as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

21. THIS COURT ORDERS that votes shall be taken at the Meeting on the basis of one vote per Common Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Honourable Court, the Arrangement Resolution must be passed, with or without variation, will require the affirmative vote of:

(a) at least two-thirds (2/3) of the votes cast by holders of Common Shares, present or represented by proxy and entitled to vote at the Meeting; and

(b) a simple majority of the votes cast by the holders of Common Shares present or represented by proxy and entitled to vote at the Meeting, other than the Excluded Shareholders and any other person required to be excluded for the purpose of such vote under MI 61-101.

Such votes shall be sufficient to authorize the Corporation to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Honourable Court.

22. THIS COURT ORDERS that in respect of matters properly brought before the Meeting pertaining to items of business affecting the Corporation (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Common Share held as of the Record Date.

Dissent Rights

23. THIS COURT ORDERS that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the *CBCA* (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the *CBCA*, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to the Corporation in the form required by section 190 of the *CBCA* and the Arrangement Agreement, which written objection must be received by the Corporation, copying General Counsel at 25 Rothwell Road, Winnipeg, Manitoba, R3P 2M5 by no later than 5:00 p.m. (Central Time) on March

13, 2024 (or not later than 5:00 p.m. (Central Time) that is two business days immediately preceding the date of the adjourned or postponed Meeting if the Meeting is adjourned or postponed), and must otherwise strictly comply with the dissent procedures described in the Circular, this Interim Order, the Plan of Arrangement and section 190 of the *CBCA*, as modified by this Interim Order and the Plan of Arrangement. For purposes of these proceedings, the "court" referred to in section 190 of the *CBCA* means this Honourable Court.

24. THIS COURT ORDERS that any Shareholder who duly exercises such Dissent Rights set out in paragraphs 23 above and who:

(a) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser for cancellation in consideration for a payment of cash from the Purchaser equal to such fair value; or

(b) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Right, shall be deemed to have

participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall the Corporation, ArrangeCo or the Purchaser or any other person be required to recognize such Shareholders as holders of Common Shares at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from the Corporation's register of holders of Common Shares at that time.

Hearing of Application for Approval of the Arrangement

25. THIS COURT ORDERS that that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, the Corporation and ArrangeCo may apply to this Honourable Court for final approval of the Arrangement.

26. THIS COURT ORDERS that distribution of the Notice of Application and this Interim Order in the Circular, when sent in accordance with paragraphs 13 and 14 shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27.

27. THIS COURT ORDERS that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for the Corporation and ArrangeCo, with a copy to counsel for the Purchaser, as soon as reasonably practicable, and, in any event, no less than two days before the hearing of this Application at the following addresses:

MCCARTHY TETRAULT LLP
66 Wellington Street W, Suite 5300
Toronto ON M5K 1E6
Attention: Shane D'Souza (sdsouza@mccarthy.ca)

THOMPSON DORFMAN SWEATMAN LLP
1700 – 242 Hargrave Street
Winnipeg MB R3C 0V1
Attention: Ross A. McFadyen (ram@tdslaw.com)

TORYS LLP
79 Wellington Street W Suite 3000
Toronto ON M5K 1N2
Attention: Andrew Gray (agray@torys.com)

28. THIS COURT ORDERS that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

(a) Counsel for the Corporation and ArrangeCo;

(b) Counsel for the Purchaser;

(c) the Director; and

(d) any person who has filed a Notice of Appearance herein in accordance with this Notice of Application, this Interim Order and the *King's Bench Rules*.

29. THIS COURT ORDERS that any materials to be filed by the Corporation in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

30. THIS COURT ORDERS that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Service and Notice

31. THIS COURT ORDERS that the Applicants and their counsel are at liberty to serve or distribute this Interim Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Corporation Shareholders, creditors or other interested parties and their advisors.

Precedence

32. THIS COURT ORDERS to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, or the articles or by-laws of the Corporation, this Interim Order shall govern.

Extra-Territorial Assistance

33. THIS COURT seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

34. THIS COURT ORDERS that the Corporation and ArrangeCo shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

February 8, 2024

CHARTIER J.

APPENDIX D
CBCA DISSENT RIGHTS

SECTION 190 OF THE CBCA

(1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

APPENDIX E
FORMAL VALUATION AND FAIRNESS OPINION

See attached.

January 22, 2024

The Special Committee of Independent Directors of the Board of Directors
Farmers Edge Inc.
100-25 Rothwell Road
Winnipeg, MB
R3P 2M5, Canada

To the Special Committee:

BMO Nesbitt Burns Inc. ("BMO Capital Markets") understands that a subsidiary (the "Acquiror") of Fairfax Financial Holdings Limited (the "Fairfax") is proposing to acquire all of the issued and outstanding common shares (the "Shares") of Farmers Edge Inc. ("Farmers Edge" or the "Company") not owned by Fairfax or its controlled affiliates and the Company's Chief Executive Officer (collectively, the "Excluded Shareholders") for $0.35 per Share in cash (the "Consideration") by way of an arrangement (the "Transaction"). BMO Capital Markets has been advised that the Excluded Shareholders currently own approximately 62% of the outstanding Shares. The above description is summary in nature and BMO Capital Markets understands that additional details of the Transaction will be provided in a management proxy circular (the "Circular") that will be mailed to holders of the Shares (the "Shareholders") in connection with the Transaction.

BMO Capital Markets further understands that a committee of independent members (the "Special Committee") of the Board of Directors of the Company (the "Board") was constituted, among other things, to consider the Transaction and make recommendations to the Board regarding the Transaction and to supervise the preparation of a formal valuation required by Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (the "Rule"). BMO Capital Markets has been advised by counsel to the Special Committee that the Transaction is a business combination, as such term is defined in the Rule. BMO Capital Markets has been retained to prepare and deliver to the Special Committee a formal valuation of the Shares in accordance with the requirements of the Rule (the "Formal Valuation") and to prepare and deliver to the Special Committee an opinion as to whether the Consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Transaction, is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders) (the "Opinion").

The Formal Valuation and the Opinion (together, the "Formal Valuation and Opinion") have been prepared in accordance with the disclosure standards for formal valuations and fairness opinions of the Canadian Investment Regulatory Organization ("CIRO"), but CIRO has not been involved in the preparation or review of the Formal Valuation or the Opinion, each as set forth herein.

All financial figures contained herein are denominated in Canadian dollars unless otherwise noted. Certain figures have been rounded for presentation purposes.

ENGAGEMENT OF BMO CAPITAL MARKETS

The Special Committee first contacted BMO Capital Markets on November 17, 2023 regarding a possible engagement of BMO Capital Markets in connection with the Transaction. BMO

Capital Markets was formally engaged by the Special Committee to prepare the Formal Valuation and Opinion pursuant to an engagement letter effective as of November 25, 2023 (the "Engagement Agreement"). The terms of the Engagement Agreement provide that the Company shall pay BMO Capital Markets: (i) a preliminary report fee of $500,000 in cash on the date that BMO Capital Markets advises the Special Committee that it is prepared to present its preliminary findings and financial analysis to the Special Committee; and (ii) a final report fee of $1,000,000 in cash on the date that BMO Capital Markets delivers to the Special Committee its final valuation report and written fairness opinion letter. In addition, BMO Capital Markets is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in certain circumstances. No part of BMO Capital Markets' fee is contingent upon the conclusions reached in the Formal Valuation and Opinion, or the completion of the Transaction or any other transaction.

CREDENTIALS OF BMO CAPITAL MARKETS

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America and globally involving public companies in various industry sectors, including the agriculture technology and software industries generally, and has extensive experience in preparing valuations and fairness opinions and in transactions similar to the Transaction.

The Formal Valuation and Opinion expressed herein is as of January 22, 2024 and the issuance thereof has been approved by an internal committee of BMO Capital Markets, consisting of officers experienced in mergers and acquisitions, divestitures, valuations and fairness opinions.

INDEPENDENCE OF BMO CAPITAL MARKETS

BMO Capital Markets acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, and may in the future have, positions in the securities of the Company, the Acquiror, or their respective associated or affiliated entities and, from time to time, may have executed, or may execute, transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, BMO Capital Markets conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, the Acquiror, the interested parties, their respective associated or affiliated entities, or the Transaction. As used herein, "affiliated entity," "associated entity," "issuer insider" and "interested parties" shall have the meanings ascribed to them in the Rule.

In addition, in the ordinary course of its business, BMO Capital Markets or its controlling shareholder, Bank of Montreal (the "Bank"), or any of their affiliated entities may have extended or may extend loans, or may have provided or may provide other financial services, to the interested parties or their respective associated or affiliated entities.

None of BMO Capital Markets, the Bank or any of their affiliated entities:

(a) is an associated or affiliated entity or issuer insider of an interested party;

(b) acts as an adviser to an interested party in respect of the Transaction;

(c) is entitled to compensation that depends in whole or in part on an agreement, arrangement or understanding that gives such party a financial incentive in respect of the conclusions reached in the Formal Valuation and Opinion or the outcome of the Transaction;

(d) is a manager or co-manager of a soliciting dealer group formed for the Transaction (or a member of such a group performing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group);

(e) is the external auditor of an interested party;

(f) has a material financial interest in the completion of the Transaction (and BMO Capital Markets confirms that the fees payable to BMO Capital Markets pursuant to the Engagement Agreement are not material to BMO Capital Markets);

(g) has a material financial interest in future business under an agreement, commitment or understanding involving the Company, any interested parties or any associate or affiliate of the Company or any interested party;

(h) is a lender of a material amount of indebtedness in a situation where any interested party is in financial difficulty, and the Transaction would reasonably be expected to have the effect of materially enhancing the Bank's position; or

(i) derives an amount of business or revenue from an interested party that is material to BMO Capital Markets or the Bank or that would reasonably be expected to affect the independence of BMO Capital Markets in preparing the Formal Valuation and Opinion.

During the 24 months before BMO Capital Markets was first contacted for the purpose of this engagement, none of BMO Capital Markets nor any of its affiliated entities:

(a) has had a material involvement in an evaluation, appraisal or review of the financial condition of any interested party, or an associated or affiliated entity of an interested party;

(b) has had a material involvement in an evaluation, appraisal or review of the financial condition of the Company, or an associate or affiliate entity of the Company, where the evaluation, appraisal or review was carried out at the direction or request of an interested party or paid for by an interested party;

(c) has acted as a lead or co-lead underwriter of a distribution of securities by an interested party, or acted as a lead or co-lead underwriter of a distribution of securities by the Company where our retention was carried out at the direction or request of an interested party or paid for by an interested party;

(d) has had a material financial interest in a transaction involving an interested party; or

(e) has had a material financial interest in a transaction involving the Company.

SCOPE OF REVIEW

In connection with rendering the Formal Valuation and Opinion, BMO Capital Markets reviewed, and relied upon or carried out, among other things, the following:

(a) annual information forms, and audited consolidated financial statements of the Company for the three years ended and as at December 31, 2022, December 31, 2021, and December 31, 2020;

(b) management's discussion and analysis of the financial condition and results of the operations of the Company for the three years ended and as at December 31, 2022, December 31, 2021, and December 31, 2020;

(c) quarterly reports and unaudited interim financial statements of the Company for each quarterly reporting period since December 31, 2020;

(d) oral and written information relating to the Company provided by senior management of the Company ("Management");

(e) projected financial information for the Company, dated December 2023, for the fiscal years ending December 31, 2023 through to December 31, 2028, prepared by Management;

(f) discussions with Management with respect to the information referred to above and other issues considered relevant, including tax, working capital, other expected future costs, potential cost savings that could accrue to a purchaser of the Company, and the outlook for the Company;

(g) a substantially final draft of the Arrangement Agreement;

(h) representations contained in a letter dated January 22, 2024 (the "Company Certificate") addressed to BMO Capital Markets and signed by the Chief Executive Officer and VP, Finance of the Company as to, among other things, the completeness and accuracy of the information and the reasonableness of the assumptions upon which the Formal Valuation and Opinion are based;

(i) discussions with the Special Committee and its legal counsel;

(j) various research publications prepared by equity research analysts and independent market researchers regarding the agriculture technology industry, the Company, and other selected public companies considered relevant;

(k) other public information relating to the business, operations, financial performance and share trading history of the Company and other selected public companies considered relevant;

(l) public information with respect to selected precedent transactions considered relevant; and

(m) such other corporate, industry and financial market information, investigations and analyses as BMO Capital Markets considered relevant in the circumstances.

To the best of its knowledge, BMO Capital Markets has not been denied access to any information requested by BMO Capital Markets by the Company.

PRIOR VALUATIONS

The Company has represented to BMO Capital Markets after due inquiry that there have not been any prior valuations (as defined in the Rule) of the Company or its material assets or securities in the past 24-month period.

ASSUMPTIONS AND LIMITATIONS

In accordance with the Engagement Agreement, BMO Capital Markets has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial and other information, data, advice, opinions and representations obtained from public sources or provided by the Company (including those representations contained in the Company Certificate) or any of its subsidiaries or directors, officers, employees, consultants, advisors and representatives, including information, data, and other materials filed on SEDAR+ (collectively, the "Information"). The Formal Valuation and Opinion are conditional upon the completeness, accuracy and fair presentation of such Information. Subject to the exercise of its professional judgment, BMO Capital Markets has not attempted to verify independently the completeness, accuracy or fair presentation of the Information.

The Chief Executive Officer and VP, Finance of the Company have represented to BMO Capital Markets in the Company Certificate, among other things, that: (i) with the exception of forecasts, projections, estimates or budgets, the financial and other information, data, advice, opinion, representation and other material provided to BMO Capital Markets orally by, or in the presence of, an officer or employee of the Company or in writing by the Company or any of its subsidiaries or any of its or their representatives for the purpose of preparing the Formal Valuation and Opinion was, at the date such information (as described above) was provided to BMO Capital Markets, and is of the date hereof (except as superseded by more current information), complete, true and correct in all material respects, and did not and does not contain any misrepresentation; (ii) since the dates on which such Information was provided to BMO Capital Markets, except as disclosed to BMO Capital Markets, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, and no material change has occurred in such Information or any part thereof that could have or could reasonably be expected to have a material effect on the Formal Valuation and Opinion; and (iii) with respect to the any portions of such information (as described above) that constitute forecasts, projections, estimates or budgets, such forecasts, projections, estimates or budgets were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management of the Company having regard to the Company's business, plans, financial condition and prospects and are not, in the reasonable belief of management of the Company, misleading in any material respect.

BMO Capital Markets has assumed that (i) the executed Arrangement Agreement will not differ in any material respect from the draft that BMO Capital Markets reviewed, (ii) the Transaction will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to BMO Capital Markets' analyses, (iii) the representations and warranties of each party contained in the Arrangement Agreement will be true and correct in all material respects, and (iv) all material governmental, regulatory or other approvals and consents

required in connection with the consummation of the Transaction will be obtained without any material impact on the Formal Valuation or Opinion.

The Formal Valuation and Opinion are rendered, and related analyses are performed, on the basis of securities markets, economic, financial, general business conditions and effective tax rates prevailing as of January 22, 2024 and the condition and prospects, financial and otherwise, of the Company, its subsidiaries and other material interests as they were reflected in the Information reviewed by BMO Capital Markets and as represented to BMO Capital Markets in discussions with Management and its representatives. In its analyses and in preparing the Formal Valuation and Opinion, BMO Capital Markets made numerous judgments with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Transaction.

BMO Capital Markets is not a legal, tax, accounting or regulatory advisor and was not engaged to review any legal, tax, accounting or regulatory aspects of the Transaction and the Formal Valuation and Opinion do not address any such matters. BMO Capital Markets is a financial advisor and valuator and has relied upon, without independent verification, the assessments of the Company and its legal, tax, accounting and regulatory advisors with respect to legal, tax, accounting and regulatory matters.

The Formal Valuation and Opinion are provided as of January 22, 2024, and, except as required by section 6.4(2)(c) of the Rule, BMO Capital Markets disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Formal Valuation and Opinion of which it may become aware after January 22, 2024. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Formal Valuation and Opinion after such date, BMO Capital Markets reserves the right to change, modify or withdraw the Formal Valuation and Opinion.

The Formal Valuation and Opinion and related analyses have been prepared and provided solely for the use and benefit of the Special Committee in evaluating the Consideration from a financial point of view and may not be used or relied upon by any other person without BMO Capital Markets' express prior written consent. Subject to the terms of the Engagement Agreement, BMO Capital Markets consents to the publication of the Formal Valuation and Opinion in its entirety and a summary thereof (in a form acceptable to BMO Capital Markets) in the Circular relating to the Transaction and to the filing thereof, as necessary, by the Company with the securities commissions or similar regulatory authorities in Canada.

BMO Capital Markets makes no recommendation (a) as to how any Securityholder or any other person should vote or act at the Special Meeting or in any matter relating to the Transaction, (b) to the Special Committee or the Board to authorize the Company to enter into the Arrangement Agreement or to proceed with the Transaction, or (c) with respect to any other action the Special Committee, the Board, any Securityholder or any other party should take in connection with the Transaction or otherwise.

BMO Capital Markets has not assumed any obligation to conduct, and it has not conducted, any physical inspection of the properties or facilities of the Company. Except for the Formal Valuation and Opinion, BMO Capital Markets has not prepared or been furnished with a formal valuation or appraisal of the assets or liabilities (contingent, derivative, off-balance sheet or otherwise) or securities of the Company or any of its affiliates, and the Formal Valuation and

Opinion should not be construed as such. BMO Capital Markets has not evaluated the solvency or fair value of the Company, the Acquiror or any other entity under any state, federal or provincial laws relating to bankruptcy, insolvency or similar matters. BMO Capital Markets has not been requested to make, and it has not made, an independent evaluation of, and expresses no view or opinion as to, any pending or potential litigation, claims, governmental, regulatory or other proceedings or investigations or possible unasserted claims or other contingent liabilities affecting the Company or any other entity and BMO Capital Markets has assumed that any such matters would not be material to or otherwise impact the Formal Valuation and Opinion or BMO Capital Markets' analyses.

The Formal Valuation is limited to the Fair Market Value (as defined below) of the Shares as of the date hereof (to the extent expressly specified herein) and the Opinion is limited to the fairness, from a financial point of view and as of the date hereof, of the Consideration (to the extent expressly specified herein). The Formal Valuation and Opinion do not address the relative merits of the Transaction as compared to any strategic alternatives or other transaction or business strategies (relative to the Company's current business plan) that may be available to the Company, nor does BMO Capital Markets express any opinion on the structure, terms or effect of any other aspect of the Transaction. BMO Capital Markets expresses no view or opinion as to the future trading price of the Shares. In addition, BMO Capital Markets does not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable to or to be received by any officers, directors or employees of the Company, or any class of such persons, in connection with the Transaction relative to the Consideration or otherwise.

BMO Capital Markets has based the Formal Valuation and Opinion and related analyses upon a variety of factors. Accordingly, BMO Capital Markets believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by BMO Capital Markets, without considering all factors and analyses together, could create a misleading view of the process underlying the Formal Valuation and Opinion. The preparation of a valuation and/or 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.

OVERVIEW OF THE COMPANY

The Company overview set forth below has been obtained from the Company's public filings or Management, without independent verification by BMO Capital Markets of (and BMO Capital Markets assumes no responsibility for) the accuracy and completeness thereof.

Farmers Edge is a global leader in digital agriculture with a broad portfolio of proprietary technological innovations, spanning hardware, software, and services. The Company provides advanced digital tools to growers and other key participants in the agricultural value chain. The Company's technology platform, FarmCommand, integrates remote imagery from satellites with other data sources, including equipment and field sensors, on-farm weather stations, and detailed soil data to provide growers with specific decision tools and insights on their fields. Growers may also access the Company's e-commerce platform to purchase the Company's suite of solution products and other crop inputs available through this online marketplace.

Summary of Fairfax's Interest in the Company

Qualified by the prospectus dated February 24, 2021, the Company went public via the distribution of an aggregate of 7,353,000 Shares at a price of $17.00 per Share (the "Initial Public Offering"), plus an Over-Allotment Option for an additional 1,102,950 Shares (the "Over-Allotment Option"). Upon closing of the Initial Public Offering, the Company had 41,781,669 Shares outstanding inclusive of the Over-Allotment Option.

The majority of the Company's financing during its development and growth in the years prior to the Initial Public Offering consisted of the issuance of convertible debentures to related parties. All convertible debentures carried a mandatory conversion feature, whereby all outstanding principal and accrued interest was to be converted to Shares at a conversion price of $2.40 per Share on a pre-share consolidation basis immediately prior to the completion of an Initial Public Offering. As at September 30, 2020, Fairfax held $219.2 million in principal amount of the total outstanding convertible debentures of Farmers Edge. The Company disclosed that upon closing of the Initial Public Offering, and reflective of the Over-Allotment Option, Fairfax would, directly or indirectly, have an approximate 59.9% interest in the Company through ownership of, or control or direction over 25,023,193 Common Shares.

On August 18, 2021, Fairfax entered into an agreement to acquire an additional 200,000 Shares of Farmers Edge.

On July 8, 2022, the Company closed a secured $75.0 million credit agreement with Fairfax and certain of its affiliates (the "Facility"). The Facility bears interest at a rate of 6% per annum and will mature on January 31, 2025. The net proceeds of the Facility are being used for working capital and general corporate purposes. As of September 30, 2023, the Company had drawn $75.0 million against the Facility.

On November 15, 2023, the Company announced that it had entered into an amendment to the Facility with Fairfax and/or certain of its affiliates. The Facility was increased by $6.37 million to an aggregate principal amount of $81.37 million. The increased amount was extended on the same terms as the rest of the facility, including a deferred interest rate of 6% per annum and a maturity date of January 31, 2025. The net proceeds of the Facility will be used for working capital and general corporate purposes.

On January 19, 2024, the Company announced that it had entered into an additional amendment to the Facility with Fairfax and/or certain of its affiliates. The Facility was increased by $12 million to an aggregate principal amount of $93.37 million. The increased amount was extended on the same terms as the rest of the facility, including a deferred interest rate of 6% per annum and a maturity date of January 31, 2025. The net proceeds of the Facility will be used for working capital and general corporate purposes.

Farmobile Litigation

Farmobile LLC (Farmobile), filed a statement of claim dated March 27, 2017 in the Federal Court of Canada seeking damages and an injunction against the Company for infringement of certain claims in Farmobile's Canadian Patent No. 2,888,742 (the "Farmobile Patent") (the "Farmobile Litigation), which was filed by certain former employees of Crop Ventures Inc. ("Crop Ventures"). The Company filed a statement of defence and counterclaim on May 11, 2017 on the basis that the Farmobile Patent is invalid, and that there is no infringement. Farmobile seeks estimated damages of approximately $65 million, including pre-judgment

interest, up to December 2021, plus an unspecified amount after such date for alleged ongoing infringement to the date of the decision. The Company believes that if Farmobile establishes liability, then the Company's potential damages, if its expert's opinion is accepted, are approximately $5.4 million up to December 2021 plus an unspecified amount after such date for alleged ongoing infringement to the date of the decision, and may be capped at $250,000 if it is successful in its non-infringing alternative argument. The Company disagrees with Farmobile's position, believes that it has a meritorious defense and no provisions for future losses have been recorded in the Company's consolidated financial statements.

On November 3, 2021, Farmobile filed a complaint in the Eastern District of Texas accusing Farmers Edge's CanPlug and FarmCommand software of infringing certain claims of five patents (the jurisdiction has since been moved to the state of Nebraska). Farmobile also changed the plaintiff to be AGI SureTrack, LLC, a subsidiary of Ag Growth International Inc. ("AGI"), which now is the assignee of the patents. Pursuant to the Court's scheduling order, AGI has reduce its infringement allegations to five asserted patents with eight asserted claims. AGI seeks estimated damages of approximately $39.4 million USD worldwide damages and approximately $19.3 million USD if the scope of damages is limited to the United States, calculated from May 2020 through September 2023. The Company disagrees with Farmobile's position, believes that it has a meritorious defense and no provisions for future losses have been recorded in the Company's consolidated financial statements.

Summary of the Company's Outstanding Securities and Financial Instruments

Common Shares

As at December 31, 2023, the Company had 42,038,548 Shares outstanding.

Performance Share Units ("PSUs")

As at December 31, 2023, the Company had 3,366,721 PSUs outstanding.

Restricted Share Units ("RSUs")

As at December 31, 2023, the Company had 190,665 RSUs outstanding.

Options

As at December 31, 2023, the Company had 718,375 stock options outstanding with a weighted average exercise price of $1.13 per Share. 500,000 stock options have a weighted average strike price of $0.19 per Share and 218,375 have a weighted average strike price of $3.28 per Share.

Summary of the Company's Cash and Cash Equivalents

As of September 30, 2023, the Company had cash and cash equivalents of approximately $9.5 million. Management forecasted a cash balance of $8.3 million for the year ended December 31, 2023.

Summary of the Company's Outstanding Obligations

As of September 30, 2023, the Company had outstanding debt of approximately $75.7 million and outstanding right-of-use obligations of approximately $3.6 million. Management forecasted outstanding debt of approximately $85.7 million and right-of-use obligations of approximately $3.0 million for the year ended December 31, 2023.

Company Historical Financial Information

The following tables summarize the Company's consolidated operating results and balance sheet items for the fiscal years ended December 31, 2021, and December 31, 2022, and year-to-date as of September 30, 2023.

	Years Ended December 31,		YTD as of September 30,
	2021	2022	2023
	(C$ thousands)	(C$ thousands)	(C$ thousands)
Revenues	**$36,172**	**$32,771**	**$15,906**
Cost of revenue	($34,872)	($38,159)	($19,559)
Data and technology infrastructure expenses	($6,276)	($15,600)	($11,635)
Selling and marketing expenses	($15,263)	($18,380)	($8,658)
Product research and development expenses	($7,900)	($5,554)	($4,937)
General and administrative expenses	($21,723)	($24,109)	($13,966)
Operating loss before foreign exchange, depreciation and amortization	**($49,862)**	**($69,031)**	**($42,849)**
Foreign exchange gain (loss)	$2,497	($535)	($66)
Depreciation of property and equipment	($10,545)	($9,561)	($5,224)
Amortization of intangible assets	($7,869)	($7,349)	($4,367)
Operating loss	**($65,779)**	**($86,476)**	**($52,506)**
Finance costs	($7,707)	($1,714)	($3,876)
Other income (expense)	$7,135	$7,496	$1,239
Impairment loss	--	($6,189)	--
Loss before income tax expense	**($66,351)**	**($86,883)**	**($55,143)**
Income tax expense	--	--	--
Net loss	**($66,351)**	**($86,883)**	**($55,143)**
Foreign currency translation differences of foreign operations, net of tax (nil)	($1,731)	$1,983	$215
Total comprehensive loss	**($68,082)**	**($84,900)**	**($54,928)**

As at	December 31, 2021 (C$ thousands)	December 31, 2022 (C$ thousands)	September 30, 2023 (C$ thousands)
Assets			
Cash	$54,720	$20,788	$9,459
Accounts receivable	$19,480	$11,683	$3,193
Inventories	$2,517	$2,766	$106
Prepaid expenses and other current assets	$2,241	$1,494	$795
Current assets	**$78,958**	**$36,731**	**$13,553**
Property and equipment	$31,608	$33,193	$28,893
Intangible assets	$18,882	$15,979	$15,821
Goodwill	$6,335	$1,115	$1,115
Total assets	**$135,783**	**$87,018**	**$59,382**
Liabilities			
Accounts payable and accrued liabilities	$17,464	$12,416	$11,285
Deferred revenue	$5,805	$8,582	$765
Current portion of right-of-use obligations	$2,839	$2,836	$1,952
Current portion of long-term debt	--	$336	$336
Current potion of other long-term liabilities	$327	$157	$335
Current liabilities	**$26,435**	**$24,327**	**$14,673**
Right-of-use obligations	$3,466	$3,533	$1,652
Long-term debt	$930	$38,583	$75,341
Other long-term liabilities	$918	$86	--
Total liabilities	**$31,749**	**$66,529**	**$91,666**
Shareholders' equity			
Share capital	$613,773	$614,005	$614,286
Contributed surplus	$5,156	$7,930	$9,571
Accumulated other comprehensive loss	($3,501)	($1,518)	($1,303)
Long-term inventive plan reserve	$3,027	$1,376	$1,609
Deficit	($514,421)	($601,304)	($656,447)
Total shareholders' equity	**$104,034**	**$20,489**	**($32,284)**
Total liabilities and shareholders' equity	**$135,783**	**$87,018**	**$59,382**

FORMAL VALUATION OF THE SHARES

Definition of Fair Market Value

For purposes of the Formal Valuation and in accordance with the Rule, "Fair Market Value" means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other, where neither party is under any compulsion to act.

In accordance with the Rule, BMO Capital Markets has made no downward adjustment to the Fair Market Value of the Shares to reflect the liquidity of the Shares, the effect of the Transaction on the Shares, or the fact that the Shares held by Shareholders other than the Excluded Shareholders do not form part of a controlling interest. A valuation prepared on the foregoing basis is referred to as an *en bloc* valuation.

Approach to Value

The Formal Valuation is based upon techniques and assumptions that BMO Capital Markets considers appropriate in the circumstances for the purposes of arriving at a range of the Fair

Market Value of the Shares. The Fair Market Value of the Shares was analyzed on a going concern basis as the Company is expected to continue as a going concern. The Fair Market Value of the Shares is expressed on a per Share basis in Canadian dollars.

Impact of Farmobile Litigation

BMO Capital Markets made no adjustment for potential future losses associated with the Farmobile Litigation based on the information provided to BMO Capital Markets by Management and its assessment of Management's disclosure regarding this litigation as set out in the Company's financial statements and other documents.

Overview of Valuation Methodologies and Additional Information

BMO Capital Markets considered a number of valuation methodologies, including trading valuation methodologies and informational reference points, which do not assume a change of control transaction, as well as *en bloc* valuation methodologies described above in accordance with the Rule. The Fair Market Value range for the Shares is based upon the *en bloc* valuation methodologies.

Trading valuation methodology:

i. analysis of selected public companies;

En-bloc valuation methodologies:

ii. analysis of selected precedent transactions; and
iii. discounted cash flow analysis for the Company's forecast.

Additional informational reference points:

iv. a trailing 52-week trading range of the Shares; and
v. selected equity research analysts' target stock prices for the Shares.

Trading Valuation Methodologies

Selected Public Companies Analysis

BMO Capital Markets reviewed certain financial information of selected publicly traded software companies that BMO Capital Markets, in the exercise of our professional judgment, deemed relevant for these purposes. The selected public companies were chosen by BMO Capital Markets based on BMO Capital Markets' experience and professional judgment and taking into account factors that, for purposes of BMO Capital Market's analysis, may be considered similar to those of the Company. Using publicly available financial information, BMO Capital Markets reviewed the enterprise value to 2024E revenue multiples based on the median of research consensus estimates of the selected public companies, as summarized below:

Company Name	EV / 2024E Revenue (ratio)
Selected Vertical Software Companies	
CS Disco	2.3x
EverQuote	1.3x
Forge Global	2.2x
TrueCar	0.9x
Median	**1.7x**
Selected Small-Cap Canadian Software Companies	
Copperleaf Technologies	4.1x
D2L	1.7x
MDF Commerce	1.4x
Real Matters	5.8x
Tecsys	2.4x
Thinkific Labs	1.5x
Voxtur Analytics	2.2x
Median	**2.2x**

Source: Company filings, FactSet, street research

Note: Market data as of January 19, 2024.

While none of the selected public companies reviewed were considered directly comparable to the Company, BMO Capital Markets relied upon its professional judgment in selecting an appropriate multiple range for the Company. Based on the above, BMO Capital Markets selected an enterprise value to 2024E revenue range of 2.00x – 2.75x for the Company.

The following table is a summary of the fair market value of the Shares resulting from the selection of the foregoing comparable trading multiple range:

		Benchmark	Selected Multiple Range		Value Range	
			Low	High	Low	High
		(C$ mm)	(ratio)	(ratio)		
2024E Revenue		$37.3	2.00x	2.75x		
Implied Enterprise Value	(C$ mm)				$74.6	$102.6
Less: Net Obligations	(C$ mm)				($80.4)	($80.4)
Implied Equity Value	(C$ mm)				--[1]	$22.2
Fully Diluted Shares Outstanding	(mm)				42.0	45.9
Implied Equity Value per Share	(C$ mm)				--[1]	$0.48

1. Low-end of selected public companies range implies negative equity value and equity value per Share. Negative values have been set to nil given limited liability for Shareholders.

En Bloc Valuation Methodologies

Selected Precedent Transactions Analysis

BMO Capital Markets performed an analysis of enterprise value to LTM revenue multiples paid in select precedent transactions involving agriculture technology and application software companies announced between November 2018 and November 2023. The selected precedent transactions were chosen by BMO Capital Markets based on BMO Capital Markets' experience and professional judgment and taking into account, among other factors, that such

transactions involved target companies or other factors that, for purposes of BMO Capital Markets' analysis, may be considered similar to the Company and the Transaction. BMO Capital Markets compared the Company to the target companies identified in the relevant transactions with respect to certain characteristics of the target including, among other things, relative size, relative market position, and business prospects at the time of the transaction.

A summary of the precedent transactions reviewed is presented below:

Selected Agriculture Technology Transactions

Date	Acquirer	Target	EV / LTM Revenue
			(ratio)
28-Sep-23	AGCO	Trimble Agriculture	4.4x
28-Jun-21	Ingersoll Rand	Maximus	3.4x
21-Jun-21	CNH Industrial	Raven Industries	5.6x
04-May-20	DTN	ClearAg (Iteris segment)	1.9x
05-Mar-19	Ag Growth International	IntelliFarms	2.1x
14-Dec-18	Merck & Co.	Antelliq Group	9.0x
11-Dec-18	Raven Industries	AgSync	3.2x
02-Nov-18	Calian Group	IntraGrain Technologies	2.1x
Median			**3.3x**

Selected Small-Cap Public Application Software Transactions

Date	Acquirer	Target	EV / LTM Revenue
			(ratio)
15-Nov-23	Thoma Bravo	EQS Group	6.3x
13-Nov-23	Sumeru Equity Partners	Q4 Inc.	4.0x
19-Oct-23	CoStar Group	OnTheMarket	2.4x
05-Oct-23	Ellucian	Tribal Group	2.0x
04-Oct-23	NICE	LiveVox	2.5x
18-Sep-23	Banneker Partners	HS GovTech	5.0x
26-Jul-23	Sun Life Financial	Dialogue Health	3.3x
20-Jun-23	CB Nepture / Charlesbank	Quotient	1.6x
01-Mar-23	Fujitsu	GK Software	2.7x
26-Sep-22	Visma	House of Control	3.3x
20-Jun-22	Aareon	Momentum	17.2x
29-Apr-22	GI Manager	GTY Technology	7.4x
03-Feb-22	Patient Square Capital	SOC Telemed	4.6x
05-Jan-22	Vera Whole Health	Castlight Health	2.2x
20-Dec-19	IAC	Care.com	2.2x
19-Dec-19	The Rubicon Project	Telaria	5.3x
04-Nov-19	TrueCommerce	Netalogue	3.7x
20-Sep-19	Confluence	StatPro Group	3.3x
03-Sep-19	Kerridge Commercial Systems	MAM Software	4.1x
05-Aug-19	Piano Media	Cxense	17.7x
13-May-19	E2open	Amber Road	5.0x
Median			**3.7x**

Source: 451 Research, company filings, FactSet, street research

While none of the selected precedent transactions reviewed were considered directly comparable to the Transaction, BMO Capital Markets relied upon its professional judgment in

selecting an appropriate multiple range for the Company in the context of the Transaction. Based on the above, BMO Capital Markets selected an enterprise value to LTM revenue multiple range of 3.0x – 3.5x for the Company, which implies an equity value per Share reference range of $0.01 to $0.31.

The following table is a summary of the fair market value of the Shares resulting from the selection of the foregoing precedent transaction multiple range:

		Benchmark	Selected Multiple Range		Value Range	
			Low	High	Low	High
		(C$ mm)	(ratio)	(ratio)		
2023E Revenue		$27.0	3.00x	3.50x		
Implied Enterprise Value	(C$ mm)				$81.0	$94.5
Less: Net Obligations	(C$ mm)				($80.4)	($80.4)
Implied Equity Value	(C$ mm)				$0.7	$14.2
Fully Diluted Shares Outstanding	(mm)				45.6	45.8
Implied Equity Value per Share	(C$ mm)				$0.01	$0.31

Discounted Cash Flow ("DCF") Methodology

A discounted cash flow analysis requires that certain assumptions be made regarding, among other things, future unlevered after-tax free cash flows, discount rates and terminal values. BMO Capital Markets' discounted cash flow analysis involved discounting to December 31, 2023, (i) the estimated value of the unlevered after-tax free cash flows projected by Management to December 31, 2028E (the "Forecast Period"), (ii) the terminal value determined as of December 31, 2028E for unlevered after-tax free cash flows after December 31, 2028E (the "Terminal Period"), and (iii) the additional tax savings projected throughout the Terminal Period generated by the net operating losses ("NOLs") balance provided by Management.

Financial Forecast Overview

As a basis for the development of estimated future unlevered after-tax free cash flows, Management provided BMO Capital Markets with a set of assumptions and forecasts for the Forecast Period (the "Financial Forecast"). Due to the current operational and financial circumstances that the Company finds itself in, the period of the Financial Forecast beyond 2024E relies on broad assumptions developed by Management that are subject to heightened uncertainty. The Financial Forecast developed for the Company used by BMO Capital Markets in its DCF analysis is based on a number of important operating assumptions developed by Management, a summary of which is provided below.

Revenue forecasts were provided by Management for each of the Company's three segments (Digital Ag and Fertility Solutions Subscriptions, Business Analytics Solutions and Agronomic Services, and Crop Input Sales). Operating expenditures and capital investments required to maintain and support revenue growth were also provided by Management. The Financial Forecast does not include revenue or income from any potential acquisitions occurring in the Forecast Period or Terminal Period. The Financial Forecast also excludes the costs that would be expected to be incurred by the Company to continue as a publicly listed company.

BMO Capital Markets reviewed and relied upon the relevant underlying assumptions in the Financial Forecast. After a review of the assumptions and discussions with Management regarding the assumptions, BMO Capital Markets concluded that the Financial Forecast formed an appropriate basis for the DCF methodology.

The following is a summary of the forecast developed for the Company:

		Forecast					'24-'28
Fiscal Year Ended December 31st	**Units**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**CAGR**
Digital Ag and Fertility Solutions Subscriptions	(C$ mm)	$26.4	$31.7	$38.0	$45.6	$54.7	20.0%
Growth (%)	*(%)*	*n.a.*	*20.0%*	*20.0%*	*20.0%*	*20.0%*	
Business Analytics Solutions and Agronomic Services	(C$ mm)	$5.9	$7.1	$8.5	$10.2	$12.2	20.0%
Growth (%)	*(%)*	*n.a.*	*20.0%*	*20.0%*	*20.0%*	*20.0%*	
Crop Input Sales	(C$ mm)	$5.0	$6.0	$7.2	$8.6	$10.4	20.0%
Growth (%)	*(%)*	*n.a.*	*20.0%*	*20.0%*	*20.0%*	*20.0%*	
Total Revenue	**(C$ mm)**	**$37.3**	**$44.8**	**$53.7**	**$64.5**	**$77.3**	**20.0%**
Growth (%)	*(%)*	*38.1%*	*20.0%*	*20.0%*	*20.0%*	*20.0%*	
Adjusted EBITDA	**(C$ mm)**	**($19.7)**	**($12.5)**	**($3.5)**	**$7.2**	**$20.1**	**178.2%**[1]
Margin (%)	*(%)*	*(52.9%)*	*(27.8%)*	*(6.5%)*	*11.2%*	*26.0%*	
Capex	**(C$ mm)**	**$8.2**	**$4.5**	**$4.5**	**$4.5**	**$4.5**	**(13.9%)**
% of Revenue	*(%)*	*22.0%*	*10.1%*	*8.4%*	*7.0%*	*5.8%*	

1. Based on 2027E-2028E growth due to negative adjusted EBITDA during 2024E-2026E.

Management projections for FY2024E were established based on a detailed budget that is based primarily on current customers and near-term cost reduction and growth initiatives. Management expects revenue beyond the FY2024E budget to grow as a result of various growth initiatives supported by overall digital agriculture industry growth.

Key cost drivers for the Company include variable cost inputs (direct labour, crop inputs, customer-service-related expenses, data and technology infrastructure), and fixed cost inputs (marketing, R&D, and G&A, which generally do not vary with operating levels). EBITDA margins improve significantly throughout the Forecast Period to a level in-line with Management's expectations of the long-term view of the business. Improvement in the EBITDA margin over the Forecast Period is due to revenue growth from growth initiatives and new enterprise contracts, and operational efficiencies resulting from ongoing savings initiatives and operating leverage.

Income Taxes

Cash income taxes were estimated during the Forecast Period based on calculations of taxable income and the Company's estimated cash tax rates. As of September 30, 2023 the Company had net operating tax loss assets ("NOLs") of $487 million. Furthermore, the Financial Forecast projects that the Company will generate negative taxable income for the fiscal years ending December 31, 2024 through to December 31, 2027 and accumulate an incremental $145 million NOLs during this period. Due to the significant NOLs balance, all the cash income taxes payable in the Forecast Period were offset.

Net Working Capital

Estimated net working capital was based on Management's assumptions and the historical relationships of the Company's accounts receivable, inventories, and accounts payable balances to the Company's days outstanding metrics. Based on the information provided by Management, the Financial Forecast assumes slight increases in working capital throughout the forecast period, particularly in the increase of accounts receivable as new revenue comes online.

Capital Expenditures

Estimated capital expenditures were provided by Management and are based on the Company's historical capital intensity and Management's assessment of capital needs required to achieve the revenue and EBITDA estimates during the Forecast Period. Management expects capital expenditures to normalize at approximately10% in additions to property & equipment and approximately 90% in additions to intangible assets.

Foreign Exchange

The Company operates in multiple countries including Canada, the United States, and Brazil, and thus conducts its business in several different currencies. Accordingly, the Company's Canadian dollar denominated operating results are exposed to and are impacted by the fluctuation of foreign exchange rates. For budget and planning purposes, Management has developed their budget and forecast in Canadian dollars, consistent with their reporting currency.

Unlevered After-Tax Free Cash Flows

For the purposes of deriving estimated unlevered after-tax free cash flows for use in the discounted cash flows analysis, BMO Capital Markets reviewed the Financial Forecast and relevant underlying assumptions and considered the resulting sales growth and EBITDA margins. BMO Capital Markets' DCF analysis incorporated a Forecast Period, from December 31, 2023 to December 31, 2028, followed by a terminal value calculation based on the estimated terminal year revenue. As part of the DCF analysis, net obligations are subtracted from the discounted unlevered after-tax free cash flows. Accordingly, BMO Capital Markets has used the Company's forecasted net obligation balance as at December 31, 2023 for the purposes of the DCF analysis. Net obligations for the purposes of the DCF analysis do not include right-of-use obligations as they are treated as an expense throughout the Forecast Period in the unlevered after-tax free cash flow calculation. The following is a summary of the unlevered after-tax free cash flow estimates used in BMO Capital Markets' DCF analysis:

	Forecast				
	2024E	**2025E**	**2026E**	**2027E**	**2028E**
Revenue	$37.3	$44.8	$53.7	$64.5	$77.3
Annual Growth (%)	*38.1%*	*20.0%*	*20.0%*	*20.0%*	*20.0%*
Adjusted EBITDA	($19.7)	($12.5)	($3.5)	$7.2	$20.1
Margin (%)	*(52.9%)*	*(27.8%)*	*(6.5%)*	*11.2%*	*26.0%*
EBIT	($33.9)	($27.8)	($19.0)	($8.3)	$4.6
Less: Unlevered Cash Taxes	--	--	--	--	--
Tax-Affected EBIT	**($33.9)**	**($27.8)**	**($19.0)**	**($8.3)**	**$4.6**
Add: Depreciation & Amortization	$14.2	$15.4	$15.5	$15.5	$15.5
Less: Capital Expenditures	($8.2)	($4.5)	($4.5)	($4.5)	($4.5)
Less: Changes in Net Working Capital	--	($2.0)	($2.4)	($2.9)	($3.5)
Less: Repayment of Right-of-Use Obligations	($1.5)	($1.5)	($1.5)	($1.5)	($1.5)
Unlevered Free Cash Flow	**($29.4)**	**($20.5)**	**($11.9)**	**($1.6)**	**$10.7**

Discount Rates

Unlevered after-tax free cash flows were discounted based on the estimated weighted average cost of capital ("WACC"). The WACC was calculated using the Company's cost of equity and cost of debt in the optimal capital structure. The assumed optimal capital structure was determined based on a review of current and historical capital structures of the selected public companies considered for purposes of BMO Capital Markets' selected public companies analysis (as described above) and the relative risks inherent in the Company's business. BMO Capital Markets used a capital asset pricing model ("CAPM") approach to determine an appropriate cost of equity. The CAPM approach calculates the cost of equity with reference to the risk-free rate of return, the risk of equity relative to the market ("beta") and a market equity risk premium. In selecting an appropriate beta range, BMO Capital Markets reviewed a range of betas for the Company and the selected public companies (as described above). The selected unlevered beta range was re-levered using the estimated optimal capital structure and was applied in the CAPM approach to calculate the cost of equity.

The assumptions used by BMO Capital Markets in estimating the WACC for the Company are as follows:

		Selected Unlevered Beta	
		Low	**High**
Cost of Debt			
Not applicable given 0% debt in estimated optimal capital structure	(%)	n.a.	n.a.
Cost of Equity			
Risk-Free Rate (10-year Government of Canada Bond)	(%)	3.49%	3.49%
Unlevered Beta	(ratio)	1.40x	1.60x
Market Risk Premium	(%)	5.62%	5.62%
Optimal Debt in Capital Structure	(%)	--	--
Levered Beta	(ratio)	1.40x	1.60x
Size Premium	(%)	4.83%	4.83%
Cost of Equity	**(%)**	**16.19%**	**17.32%**
Implied WACC	**(%)**	**16.2%**	**17.3%**
Selected WACC Range	**(%)**	**16.0%**	**17.0%**

Source: Company filings, Bloomberg, FactSet

Note: Market data as of January 19, 2024.

Based on the foregoing, a WACC range of 16.2% to 17.3% was calculated. For purposes of the discounted cash flow analysis, BMO Capital Markets selected a discount rate range of 16.0% to 17.0%.

Terminal Value

Terminal enterprise values at the end of the Forecast Period were calculated using the terminal multiple method, while also considering implied perpetuity growth rates. BMO Capital Markets selected a terminal exit enterprise value to LTM revenue multiple range of 3.0x – 3.5x, consistent with the selected precedent transactions analysis above, and applied these to the terminal year's revenue to derive the terminal enterprise value of the Company.

Present Value of NOLs

Present values of the Company's NOLs at the end of the Forecast Period were calculated by extrapolating the Companies projected taxable income for the fiscal year ending December 31, 2028 at the perpetuity growth rates implied by the terminal enterprise values and discount rates described above. The cash tax savings resulting from the use of NOLs during this extrapolated period were discounted to a present value as of December 31, 2023.

Net Obligations

The following table outlines the estimated obligations as of December 31, 2023:

in C$ millions	
Drawn Credit Facility	$85.7
Right-of-Use Obligations	$3.0
Total Obligations	$88.7
Less: Cash & Cash Equivalents	($8.3)
Net Obligations	**$80.4**
Net Obligations (excl. Right-of-Use Obligations)	**$77.4**

Summary of Discounted Cash Flow Analysis

The following is a summary of the equity value per Share reference range derived from the discounted cash flow analysis:

	Low	High
Cost of Capital (WACC)	17.0%	16.0%
Terminal Multiple	3.0x	3.5x
Net Present Value *(in C$ millions, except per Share values)*		
Present Value of Forecasted Unlevered Free Cash Flows	($47.1)	($47.4)
Present Value of Terminal Value	$105.8	$128.9
Present Value of NOLs	$20.8	$23.0
Enterprise Value	**$79.5**	**$104.5**
Less: Net Obligations	($77.4)	($77.4)
Implied Equity Value	**$2.2**	**$27.1**
Fully Diluted Shares Outstanding (mm)	45.6	45.9
Implied Equity Value per Share (C$)	**$0.05**	**$0.59**

Certain Additional Informational Reference Points

BMO Capital Markets observed certain additional information, considered as part of the Formal Valuation and Opinion for informational reference only, including the following:

52-Week Trading Range of the Shares

BMO Capital Markets reviewed the historical trading prices of the Shares for the 52-week period prior to November 16, 2023, the last completed trading period prior to the announcement of Fairfax's initial proposal (the "Unaffected Date"), and observed that, over this period, the Shares traded within a range of $0.08 to $0.35 per Share. As of the Unaffected Date, the closing price of the Shares was $0.13 per Share.

Equity Research Analysts' Stock Price Targets for the Shares

BMO Capital Markets reviewed publicly available research analysts' stock price targets for the Shares, reflecting such analysts' estimates of the future public market trading price of the Shares at the time such stock price targets were established, and noted that the two research analysts' stock price targets that were publicly available as of the Unaffected Date ranged from $0.10 to $0.25 per Share.

Benefits of Acquiring 100% of Shares

BMO Capital Markets reviewed and considered whether any material value could accrue to a purchaser through the acquisition of 100% of the Shares. BMO Capital Markets considered two scenarios: (i) an acquisition of 100% of the Company by any party via an arm's-length transaction, and (ii) the Transaction. BMO Capital Markets considered material value that might be derived as a result of: (i) savings of direct costs resulting from the Company no longer being a publicly listed entity; (ii) savings of other corporate expenses, including, but not limited to, senior management, legal, finance, information technology, human resources, sales and marketing; (iii) reduced operating costs and capital expenditures resulting from rationalizing such expenditures between the Company's operations and the operations of such purchaser; (iv) revenue enhancement opportunities; and (v) the accelerated use of the Company's NOLs to reduce the taxable income of such purchaser.

Implication of Synergies for the Formal Valuation and Opinion

BMO Capital Markets determined that, both in the case of synergies that could be achieved by any party and in the case of synergies expected to be realized from the Transaction, no additional value should be added to the implied equity value per Share reference ranges derived from the methodologies used to calculate an *en bloc* Fair Market Value of the Shares. In this regard, BMO Capital Markets noted that such *en bloc* valuation methodologies use transaction multiples based on selected precedent transactions, which effectively incorporate a change of control premium reflecting the expectation of synergies.

FORMAL VALUATION SUMMARY

The following table summarizes the range of the Fair Market Value of the Shares on an *en bloc* basis based on the methodologies described above. In arriving at the Fair Market Value of the Shares, BMO Capital Markets did not attribute specific quantitative weight to any particular

en bloc valuation methodology. BMO Capital Markets made qualitative determinations based upon BMO Capital Markets' experience and professional judgment and on prevailing circumstances as to the significance and relevance of each valuation methodology.

FORMAL VALUATION CONCLUSION

The following is a summary of the implied Fair Market Value of the Shares resulting from the two *en bloc* valuation methodologies employed:

	Based on Selected Precedent Transactions Analysis		Based on Discounted Cash Flows	
	Low	High	Low	High
Implied En Bloc Equity Value per Share	$0.01	$0.31	$0.05	$0.59

Based upon and subject to the foregoing, BMO Capital Markets is of the opinion that, as at January 22, 2024, the Fair Market Value of the Shares, determined on an *en bloc* basis as required under the Rule, is in the range of $0.05 to $0.45 per Share.

APPROACH TO FAIRNESS

In considering the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Transaction, BMO Capital Markets reviewed, considered and relied upon or carried out, among other things, the following:

- a comparison of the Consideration offered in the Transaction to the Fair Market Value range of the Shares determined in the Formal Valuation; and
- such other information, investigations and analysis as we, in the exercise of our professional judgment, considered necessary or appropriate in the circumstances.

Comparison of Consideration to Formal Valuation

Under the terms of the Transaction, the Shareholders will receive $0.35 per Share, which is within the range of the Fair Market Value of the Shares as at January 22, 2024, as reflected in the Formal Valuation.

FAIRNESS OPINION CONCLUSION

Based upon and subject to the foregoing, and such other matters considered relevant, BMO Capital Markets is of the opinion that, as at the date hereof, the Consideration to be received by the Shareholders (other than the Excluded Shareholders) pursuant to the Transaction is fair, from a financial point of view, to the Shareholders (other than the Excluded Shareholders).

Yours very truly,

BMO Nesbitt Burns Inc.

BMO Nesbitt Burns Inc.

APPENDIX F
NOTICE OF APPLICATION FOR THE FINAL ORDER

See attached.

File No. CI 24-01- 44840

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:	An application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended
AND IN THE MATTER OF:	A Proposed Arrangement of FARMERS EDGE INC. and 15736676 CANADA INC., involving 15635594 CANADA INC.

FARMERS EDGE INC. and 15736676 CANADA INC.,

Applicants.

NOTICE OF APPLICATION
HEARING DATE: THURSDAY, FEBRUARY 8, 2024 at 10:00 a.m.
BEFORE MR. JUSTICE CHARTIER

Thompson Dorfman Sweatman LLP
Barristers and Solicitors
1700 - 242 Hargrave Street
Winnipeg MB R3C 0V1
(Matter No. 0207553 JK)
(Ross A. McFadyen: 204-934-2378)
(Toll Free: 1-855-483-7529)
(Email: ram@tdslaw.com)

Filed:
FEB 0 6 2024

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:	An application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended
AND IN THE MATTER OF:	A Proposed Arrangement of FARMERS EDGE INC. and 15736676 CANADA INC., involving 15635594 CANADA INC.

FARMERS EDGE INC. and 15736676 CANADA INC.,

Applicants.

NOTICE OF APPLICATION

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicants. The claim made by the applicants appears on the following page.

THIS APPLICATION will come on for an initial hearing before the Honourable Mr. Justice Chartier of the Manitoba Court of King's Bench, on Thursday, February 8, 2024, at 10:00 a.m., at the Winnipeg Law Courts Building, 408 York Avenue in Winnipeg, Manitoba.

IF YOU WISH TO OPPOSE THIS APPLICATION, you or a Manitoba lawyer acting for you must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

February 6, 2024

Issued by "DR"
Deputy Registrar

Court of King's Bench - Winnipeg Centre
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AND TO: PRICEWATERHOUSECOOPERS LLP, THE AUDITORS OF FARMERS EDGE INC.

AND TO: ALL DIRECTORS OF FARMERS EDGE INC.

AND TO: THE DIRECTOR APPOINTED UNDER THE *CANADA BUSINESS CORPORATIONS ACT*

APPLICATION

1. The Applicants make application for:

(a) an interim order for advice and directions pursuant to subsection 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "***CBCA***"), with respect to a proposed arrangement (the "**Arrangement**") involving Farmers Edge Inc. (the "**Corporation**"), its shareholders, option holders, deferred share unitholders, and performance share unitholders, 15736676 Canada Inc. ("**ArrangeCo**") and 15635594 Canada Inc. (the "**Purchaser**"), a newly-formed subsidiary of Fairfax Financial Holdings Limited ("**FFHL**");

(b) a final order (the "**Final Order**") approving the Arrangement pursuant to subsections 192(3) and 192(4) of the *CBCA*;

(c) an Order abridging the time for service of the Notice of Application and the supporting affidavit material or, in the alternative, dispensing with

service of the Notice of Application and the supporting affidavit material, if necessary; and

(d) such further and other relief as counsel for the Applicants may request and this Court may deem just.

2. The grounds for the application are:

(a) The Corporation exists under the *CBCA*. Its common shares (each, a "**Common Share**") are listed on the Toronto Stock Exchange. ArrangeCo is incorporated under the *CBCA* and is a direct wholly-owned subsidiary of the Corporation;

(b) The Corporation is a global leader in digital agriculture. Using its digital platform, the Corporation is able to collect real-time field data, monitor crop progress, improve yields, and more. This data is used to assist farmers and their trusted advisors in being more efficient and successful in improving how food is produced and distributed to a rapidly growing global population;

(c) The Purchaser is a newly-formed subsidiary of FFHL. FFHL is the indirect majority shareholder of the Corporation, holding approximately 61.2% of the issued and outstanding Common Shares;

(d) The Corporation wishes to effect a fundamental change, a "going-private" transaction, in the nature of an arrangement under the provisions of the *CBCA*. To that end, the Corporation has entered into an Arrangement Agreement dated January 22, 2024 pursuant to which the Purchaser will acquire all of the issued and outstanding Common Shares, other than those Common Shares owned by FFHL and its controlled affiliates, and the Corporation's Chief Executive Officer, Vibhore Arora (collectively the "**Excluded Shareholders**"), at a price of $0.35 in cash per Common Share (the "**Consideration**");

(e) The Arrangement is the culmination of the negotiations that took place following the receipt by the Corporation's board of directors (the "**Board**") on November 16, 2023 of an initial proposal from the Purchaser (the "**Original Proposal**") at a price of $0.25 in cash per Common Share;

(f) The Consideration represents a 218% premium to the closing price and to the 20-day volume weighted average price per Common Share on the Toronto Stock Exchange as of the close of trading the day immediately before the Corporation received the Original Proposal;

(g) The Consideration reflects a 40% increase to the original purchase price proposed in the Original Proposal following the successful

negotiations of the special committee (the "**Special Committee**") of independent directors of the Board;

(h) The signing of the Arrangement Agreement followed the unanimous recommendation of the Special Committee;

(i) The proposed Arrangement is an "arrangement" as defined under subsection 192(1) of the *CBCA*;

(j) The Arrangement is anticipated to involve, among other things, the following steps:

(i) The Purchaser shall advance by way of a loan to the Corporation an amount equal to the aggregate amount of cash required to be paid by the Corporation to the applicable holders of the Corporation's RSUs and the In-The-Money Corporation Options and the Corporation will deliver to the Purchaser a duly issued and executed demand interest-free promissory note having a principal amount equal to the amount so advanced;

(ii) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any

Liens, to the Purchaser in consideration for a debt claim against the Purchaser, and:

A. such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares;

B. such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Corporation; and

C. the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Corporation;

(iii) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3, and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares held by the Purchaser or the Excluded Shareholders, shall, without any

further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted, and:

A. the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with the Plan of Arrangement;

B. such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Corporation; and

C. the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Corporation;

(iv) The Corporation Incentive Plan shall be terminated and be of no further force and effect;

(v) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00 without repayment of capital in respect thereof; and

(vi) The Corporation and ArrangeCo shall be amalgamated and continued as one corporation under the CBCA.

(k) All statutory requirements under section 192 and other applicable provisions of the *CBCA* either have been fulfilled or will be fulfilled by the date of the hearing set for submissions in this application in support of the Final Order;

(l) The directions set out and the approvals required pursuant to any interim order this Court may grant will be followed and obtained by the date of the hearing set for submissions in this application in support of the Final Order;

(m) ArrangeCo meets the solvency requirements of subsection 192(2) of the *CBCA* as of the date of the hearing for the Interim Order and the Corporation, ArrangeCo and Amalco are expected to meet the solvency requirements of subsection 192(2) of the *CBCA* at closing of the Transaction;

(n) It is not practicable for the Corporation to effect a fundamental change in the nature of the Arrangement other than pursuant to the provisions of section 192 of the *CBCA*;

(o) This Application has been put forward in good faith for a *bona fide* business purpose, and has a material connection to Winnipeg, Manitoba, as the Corporation's registered office is located in 242 Hargrave Street, Suite 1700, Winnipeg, Manitoba, R3C 0V1, and its head office is located at 25 Rothwell Road, Winnipeg, Manitoba, R3P 2M5, among other things;

(p) The Arrangement is fair and reasonable;

(q) Certain of the shareholders of the Corporation and other interested persons are residents outside of Manitoba and will be served with notice of this application at their respective addresses as they appear on the books and records of the Corporation, pursuant to subsection 192(4) of the *CBCA* and Rule 17.02(k) of the *King's Bench Rules*, MR 553/88, as amended (the "**KB Rules**"), and/or pursuant to the terms of the interim order issued by this Court;

(r) Section 192 of the *CBCA*;

(s) Rules 3.02, 14.05(1) and (2), 16.04, 16.08, 37 and 38 of the KB Rules; and

(t) Such further and other grounds as counsel for the Applicants may advise and as this Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

(a) The Affidavit of Steven Mills, to be sworn, and the exhibits thereto;

(b) A further or supplementary affidavit, to be affirmed, and the exhibits thereto, reporting as to compliance with any interim order, if granted, and the results of the meeting conducted pursuant to such interim order; and

(c) Such further and other materials as may be necessary for this application and as this Court may permit.

February 6, 2024

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