

MATERIAL CHANGE REPORT
FORM 51-102F3
Section 7.1 of National Instrument 51-102

Item 1 — Name and Address of Company

Frontenac Mortgage Investment Corporation (the “Company”)
14216 Road #38, P.O. Box 208
Sharbot Lake, Ontario K0H 2P0

Item 2 — Date of Material Change

December 8, 2023.

Item 3 — News Release

A news release was disseminated by the Company on December 8, 2023 through Cision (Newswire), a copy of which have been filed under the Company’s profile on SEDAR+ at www.sedar.com.

Item 4 — Summary of Material Change

The Company advised that it had decided to continue to escrow monthly sales of its common shares under prospectus exemptions, dividends and redemptions of the Company’s common shares until further notice as the review of the Company’s continuous disclosure by Ontario Securities Commission staff was ongoing and not yet concluded and the Company had been advised that certain accounting issues relating to a property securing a large development loan are being reviewed by the Corporate Finance and Enforcement staff of the regulator.

Item 5 — Full Description of Material Change

5.1 Full Description of Material Change

The Company advised that it had decided to continue to escrow monthly sales of its common shares under prospectus exemptions, dividends and redemptions of the Company’s common shares until further notice as the review of the Company’s continuous disclosure by Ontario Securities Commission staff was ongoing and not yet concluded and the Company had been advised that certain accounting issues relating to a property securing a large development loan are being reviewed by the Corporate Finance and Enforcement staff of the regulator. The Company will continue to respond to any enquiries from OSC staff but can provide no assurances as to the timing or results of the OSC’s ongoing review, though the Company will provide updates on such matters as circumstances dictate.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 — Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 — Omitted Information

Not applicable.

Item 8 — Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report: Amber Kehoe, Corporate Secretary, may be reached at 1-877-279-2116 Ext. 105.

Item 9 — Date of Report

December 12, 2023.