

CODE OF BUSINESS CONDUCT

Founders Advantage Capital Corp. and its subsidiaries (the "**Corporation**") will adhere to high ethical standards in all of their business activities and all of the Corporation's directors, officers, employees and consultants are expected to maintain these standards. The Corporation's directors, officers, employees and consultants are expected to strive to deal fairly with the Corporation's security holders, customers, suppliers and competitors.

The Corporation and its directors, officers, employees and consultants shall comply with all laws and regulations applicable to the Corporation's activities. A concern for what is right must underlie all business decisions.

The Corporation will conduct its business activities in compliance with all laws, regulations and requirements that are applicable to wherever the Corporation operates. Ignorance of the law is not, in general, a defence should a law be contravened. The Corporation's directors, officers, employees and consultants will inform themselves respecting the laws and regulations applicable to the Corporation's activities. Moreover, agreements or arrangements need not necessarily be in writing to be contrary to the law since it is possible for a contravention to be inferred from the conduct of the parties. Accordingly, directors, officers, employees and consultants must diligently ensure that their conduct is not and cannot be interpreted as being in contravention of laws governing the affairs of the Corporation in any jurisdiction where it carries on business.

In view of the ever-increasing complexity of the law affecting business activity, whenever a director, officer, employee or consultant is in doubt about the application or interpretation of any law, regulation, standard or policy, the director, officer, employee or consultant should seek the advice of the Chief Executive Officer of the Corporation or, if that is not considered satisfactory, the Corporation's legal counsel.

1. No business operation should be considered effective or complete without proper attention to safety, health and the environment.
2. The Corporation believes that its directors, officers, employees and consultants are a valuable asset to be treated fairly without discrimination by reason of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status or physical handicap.
3. To protect the safety of all personnel, the Corporation's assets, the environment and the communities within which the Corporation works, personnel must report for work fit to perform their duties and free from the influence of any substance that could prevent them from conducting their work activities safely, effectively and in compliance with all applicable laws.
4. Directors, officers, employees and consultants shall not use their status with the Corporation to obtain personal gain from those doing or seeking to do business with the Corporation.

5. At times, the Corporation's suppliers may offer gifts, including entertainment. While gifts of cash are never acceptable, you may accept nominal gifts on behalf of the Corporation. Generally acceptable gifts or entertainment are limited to entertainment and sporting event tickets, dinners with clients, customers or suppliers which do not affect the independent judgment of such directors, officers, employees or consultants. Other gifts or benefits must be approved by a senior officer of the Corporation prior to acceptance. If in doubt, consult a senior officer of the Corporation for advice in this regard or if you are an officer or director, consult the Lead Director or the Chair of the board of directors of the Corporation.
6. The direct or indirect use of the Corporation's funds, goods or services as contributions to political parties, campaigns or candidates for election to any level of government requires approval of a senior executive officer of the Corporation.
7. All dealings between directors, officers, employees and consultants of the Corporation and public officials are to be conducted in a manner that will not, and will not appear to, compromise the integrity or impugn the reputation of any public official or the Corporation.
8. A conflict of interest occurs when an individual's private interests interfere, or appear to interfere, in any way with the interests of the Corporation. Where conflicts of interest arise, employees and consultants must provide full disclosure of the circumstances to their manager or a senior executive officer and, in the case of directors and officers, to the Lead Director or Chair of the board of directors and not be involved in any related decision making process.
9. Directors, officers, employees and consultants have an obligation to promote the best interests of the Corporation at all times. They should avoid any action which may involve a conflict of interest with the Corporation. Directors, officers, employees and consultants should not have any undisclosed, unapproved financial or other business relationships with suppliers, customers or competitors that might impair the independence of any judgment they may need to make on behalf of the Corporation.
10. Directors, officers, employees and consultants should also avoid apparent conflicts of interest, which occur where a reasonable observer might assume there is a conflict of interest and, therefore, a loss of objectivity in their dealings on behalf of the Corporation. The Corporation's directors, officers, employees and consultants are expected to use common sense and good judgment in determining whether a conflict of interest does or potentially could exist. Activities that could give rise to potential conflicts of interest are prohibited unless specifically approved in advance by the Chief Executive Officer in the case of an employee or consultant or the board of directors in the case of an officer or director.

The following is a non-exhaustive list of examples where a conflict of interest could arise:

- **Financial Interest:** Personnel and their families (spouse, children) may not own, control or direct a material financial interest in a supplier, contractor, competitor or in any entity with which the Corporation does or seeks to do business.
 - **Customer and Supplier Relations:** All customers and suppliers involved with the Corporation in the purchase of goods and services should be treated fairly and with respect. Purchase decisions must be made based on objective criteria such as quality, reliability, price, delivery and service.
 - **Gifts, Entertainment or Bribes:** Offering or receiving any gift or gratuity that may be perceived to unfairly influence a business decision should be avoided. While gifts or entertainment offered to or by persons or entities seeking to or doing business with the Corporation in the ordinary course are to an extent acceptable, directors, officers, employees and consultants will exercise responsibility and objectivity in offering or accepting such gifts or entertainment. It is unacceptable to directly or indirectly offer, pay, solicit or accept bribes or engage in any activity that may appear to be improperly influencing business relations.
 - **External Business Activities:** Directors, officers, employees and consultants will not engage in any outside business activity that is deemed detrimental to the Corporation or conduct any external business activities on the Corporation's premises or during normal business hours.
11. All directors, officers, employees and consultants are responsible for protecting the Corporation's assets and managers are specifically responsible for establishing and maintaining appropriate internal controls to safeguard the Corporation's assets against loss from unauthorized use or disposition.
 12. The books and records of the Corporation must reflect in reasonable detail all of its business transactions in a timely and accurate manner in order to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles. Compliance with applicable generally accepted accounting principles/international financial reporting standards and the corresponding securities laws is mandatory in the preparation and disclosure of all financial transactions and information. All assets and liabilities of the Corporation must be recorded as necessary to maintain accountability for them. All business transactions must be properly authorized and transactions must be supported by materially accurate documentation in reasonable detail and recorded properly. Making false, fictitious or misleading entries with respect to any business transaction is strictly prohibited.
 13. No information may be concealed from the Corporation's external auditors, the board of directors of the Corporation or any committee of the board of directors of the Corporation. In addition, it is illegal to fraudulently influence, coerce, manipulate or mislead an external auditor who is auditing the Corporation's financial statements. The intentional creation of any false or misleading entries with respect to any business activity or transaction is strictly prohibited and will be subject to appropriate disciplinary action, up to and including termination of employment or retainer for cause in appropriate circumstances.

14. Certain of the Corporation's records, reports, papers, devices, processes, plans, methods and apparatus are considered by the Corporation to be confidential information, and directors, officers, employees and consultants are prohibited from revealing such matters except as may be allowed under the Corporation's Disclosure Policy. Confidential information includes, but is not limited to, technical information, results, observations, analyses, compilations, evaluations, assessments, business or commercial data or plans and investor related data. The term "**confidential information**" relates to the underlying nature of the information, covering both verbal and written information, and is independent of the medium on which the information is stored. It thus covers information stored on paper, various magnetic media, computer, microfiche or any other medium.
15. During the course of employment in the case of employees, the term of the consulting contract with the Corporation in the case of consultants and during their term as directors or officers in the case of directors and officers of the Corporation and for a period of one year thereafter, directors, officers, employees and consultants shall not use for their own financial gain or disclose for the use of others, confidential information, obtained as a result of their position with the Corporation.
16. Directors, officers, employees and consultants must strictly adhere to the terms outlined in the Corporation's Policy on Trading in Securities to ensure compliance with applicable Canadian securities laws governing trading in securities of the Corporation while in possession of material non-public information concerning the Corporation and tipping or disclosing material non-public information to outsiders and to avoid embarrassment by preventing the appearance of improper trading or tipping.
17. As a publicly traded entity, the Corporation has an obligation to comply with the rules relating to disclosure of material information under the relevant Canadian securities legislation and the rules, policies and guidance of the Toronto Stock Exchange.
18. In accordance with the Corporation's disclosure obligations, all financial communications and reports must contain full, fair, accurate and understandable disclosure and be filed or released in a timely manner. All directors, officers, employees and consultants who are responsible for the preparation of the Corporation's public disclosure, or who provide information as part of the process, have a responsibility to ensure that such disclosure is prepared and information is provided honestly, accurately and in compliance with the various disclosure controls and procedures.
19. In accordance with the Corporation's Disclosure Policy, any director, officer, employee or consultant in possession of material information must not disclose such information before its public disclosure and must take steps to ensure that the Corporation complies with its timely disclosure obligations.
20. Speculation in business, shares and other securities, land or other ventures of any kind on the basis of confidential information obtained in the course of a director's, officer's, employee's or consultant's duties with the Corporation is prohibited. This includes but is not limited to shares or securities of any company which the Corporation is evaluating or is studying as a possible acquisition or joint venture partner or with whom a major

contract may be concluded. Use or disclosure of such information can result in civil or criminal penalties, for both the individuals involved and the Corporation.

21. The information systems, data, funds, office equipment, tools, vehicles, supplies, facilities, services and any other assets or property owned or leased by the Corporation or that are otherwise in the Corporation's possession are provided and should be used for authorized business purposes only. Personnel have an obligation to protect and use the Corporation's property and resources, including proprietary information, in accordance with the principles of sensible and acceptable use. *Unacceptable use will not be tolerated.*

Unacceptable use (personal or business related) of the Corporation's property includes when an individual uses such property to:

- defame, slander, harass or unreasonably interfere with any individual or organization, including the Corporation;
- partake in any illegal or unethical activity;
- conduct any activity that could negatively impact the Corporation or its reputation;
- make excessive use of non-business-related internet sites or access any illicit or inappropriate sites;
- replace personal assets (e.g. personal computer) with those of the Corporation for reasons unrelated to the Corporation's business;
- intentionally transmit viruses or transmit virus warnings to any recipient;
- access or exchange content that is inappropriate in a professional workplace;
- conduct personal commercial ventures; and/or
- conduct any other personal business other than in a minor manner and in accordance with normal business practices.

Directors, officers, employees and consultants have the responsibility to avoid the theft, misuse, damage or waste of the Corporation's property and resources. Illegal use of the Corporation's property and resources will not be tolerated and may be subject to disciplinary action. It could also result in civil or criminal penalties. Any infractions should be reported immediately to a manager or a senior executive officer or, if that does not resolve the issue, the Chair of the Board of Directors.

22. It is the Corporation's policy to cooperate with all governmental investigative authorities. The Corporation's directors, officers, employees and consultants shall retain any record, document or property of the Corporation that is known to be the subject of an investigation or litigation. It is a violation of this Code for the Corporation's directors, officers, employees and consultants to knowingly alter, destroy, conceal, cover up, falsify or make a false entry in any record, document or tangible object with the intent to impede, obstruct or improperly influence the investigation or proper administration of any matter within the jurisdiction of any federal, provincial, state or municipal

department or agency, or any bankruptcy, or in relation to or contemplation of any such matter or case.

23. It is the responsibility of every director, officer, employee and consultant to bring to the attention of the Corporation knowledge of any situation which might adversely affect the Corporation's reputation. All directors, officers, employees and consultants are encouraged to report, verbally, or in writing any evidence of improper practice of which they are aware. As used here, the term "**improper practice**" means any illegal, fraudulent, dishonest, unsafe, negligent or otherwise unethical action by a director, officer, employee or consultant or any conduct or activities by a director, officer or employee or consultant that may reasonably be considered to be, or to lead to, a breach of this Code.
24. Directors, officers, employees and consultants are all prohibited from participating in external internet or social media discussion forums, chat rooms, news group discussions, blogs or bulletin boards, such as facebook, twitter, etc. ("**social media**") on any matter pertaining to the Corporation's activities or securities, unless designated as an authorized spokesperson in accordance with the Disclosure Policy. If you encounter any discussion in social media pertaining to the Corporation's activities or securities you must immediately contact the Chief Financial Officer.

Directors, officers, employees and consultants are all also prohibited from disclosing any confidential or personal information acquired or received through their position with the Corporation, whether appropriately or inappropriately acquired or received, in social media, and all statements made in social media must be true and substantiated, must not represent such individual or the Corporation in a false or misleading way, and must not embarrass the Corporation, its directors, officers, employees, contractors, customers, suppliers, distributors, business partners or any other individual or entity associated with the Corporation.

25. All directors, officers, employees and consultants of the Corporation must comply with all laws prohibiting improper payments to domestic and foreign officials, such as, the *Canadian Corruption of Foreign Public Officials Act*. These Acts prohibit, among other things, offering, promising or giving (or authorizing any of those activities) anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates to influence any of their acts or decisions or to obtain or retain business. Similarly, other governments have laws regarding business gifts that may be accepted by government personnel. The promise, offer or delivery to an official or employee of various governments of a gift, favor or other gratuity in violation of these laws would not only violate the Corporation's policies but could also be a criminal offense; such payments shall not be made to government officials of any country.
26. The Corporation and the Corporation's directors, officers, employees and consultants shall comply with copyright law and any other laws applicable to the use of computer software, hardware and related materials, as well as with any and all contracts entered into by the Corporation with suppliers or licensors of computer software, hardware and related materials.

27. Any waiver of this Code for directors or officers may be made only by the board of directors and will be promptly disclosed as required by law, regulation or stock exchange requirement. Any amendment of this Code will be disclosed as required by law. Waivers in respect of employees or consultants may be given by the President and Chief Executive Officer who shall report any waivers given to the board of directors at its next meeting.

All directors, officers, employees and consultants are responsible for abiding by this Code. This includes individuals responsible for the failure to exercise proper supervision and to detect and report a violation by their subordinates. All directors, officers, employees and consultants are encouraged to report violations of this Code in accordance with the procedures described in the Corporation's Whistleblower Policy. Violations of this Code will result in the Corporation taking effective remedial action commensurate with the severity of the violation. This action may include disciplinary measures up to and including termination in the case of a director, employee or officer or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings. If determined appropriate, a matter may be referred to the appropriate authorities.

APPROVAL

Adopted by the Board on May 16, 2016.