

Four Takeaways For CPC Stakeholders

TSX Venture recently announced major enhancements to its Capital Pool Company (CPC) program. See below for our Four Takeaways regarding these policy changes. [Click here](#) for more information.

1. FLEXIBILITY TO COMPLETE QTs

The two-year limit for completing a Qualifying Transaction after listing of a CPC has been removed to provide CPC founders greater flexibility to source high quality target companies for their QT.

2. \$10,000,000 MAXIMUM CAPITAL RAISE

CPCs will be allowed to raise a maximum of \$10 million (in aggregate), up from \$5 million. This increase can make CPCs more attractive to target companies with higher cash needs.

3. COMPENSATION ENHANCEMENTS

CPC founders will have greater incentives to participate in the CPC program by allowing founders to subscribe for a greater amount of discounted seed capital, allowing stock options to be priced at a discount to the IPO price, and providing a more attractive escrow release timeline.

4. AMENDED LISTING REQUIREMENTS

The initial listing requirements for CPCs have been reduced from a minimum of 200 public shareholders to 150 and from a total float of at least 1,000,000 shares down to 500,000 shares.

The changes will take effect January 1, 2021. Click below for more information.

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CPC Insights

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ISSUE 2



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CPC Stats

As of November 2020

31% TSX corporate issuers began on TSXV

76 CPC graduates are currently listed on TSX

1 in 3 currently listed Venture graduates started as a CPC

\$239K Average seed financing*

\$682K Average CPC financing (IPO/PP)*

\$5.01M Average QT financing*

New CPC Listings

2015	2016	2017	2018	2019	YTD Nov. 2020
14	17	37	95	59	28
5-YR TOTAL: 222					

CPC IPO/PP Proceeds (C\$M)

2015	2016	2017	2018	2019	YTD Nov. 2020
22	12.3	22.6	59.8	29.7	17.8
5-YR TOTAL: 146.4					

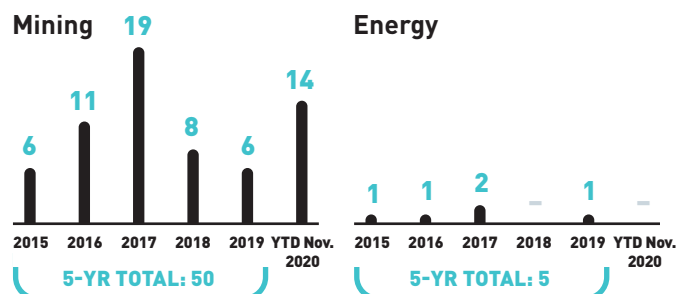
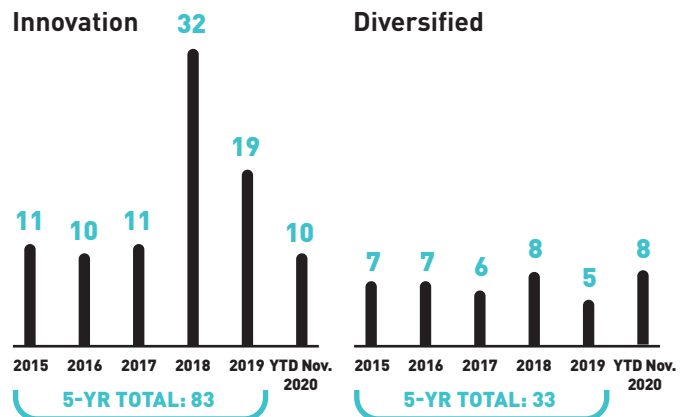
Seed Financing Proceeds (C\$M)

2015	2016	2017	2018	2019	YTD Nov. 2020
4.4	5.7	8.8	28.4	12.4	9.5
5-YR TOTAL: 59.7					

Total CPC Capital Raised (C\$M)

2015	2016	2017	2018	2019	YTD Nov. 2020
26.4	18	31.4	88.2	42.1	27.3
5-YR TOTAL: 206.1					

Qualifying Transactions



Total Qualifying Transactions

2015	2016	2017	2018	2019	YTD NOV. 2020
25	29	38	48	31	32
5-YR TOTAL: 171					

10 Largest CPC Graduates on TSX

	Symbol	Sector	QT Date	TSXV Grad Date	Market Cap at Nov. 30, 2020	Analyst Coverage
Canopy Growth Corporation	WEED	Life Sciences	Apr. 04, 2014	Jul. 26, 2016	\$13.9	23
Cronos Group Inc.	CRON	Life Sciences	Dec. 17, 2014	May 23, 2018	\$4.2	15
Aphria Inc.	APHA	Life Sciences	Dec. 08, 2014	Mar. 22, 2017	\$3.3	14
Equinox Gold Corp.	EQX	Mining	Sep. 18, 2009	Nov. 25, 2019	\$3.1	10
Sandstorm Gold Ltd.	SSL	Mining	Apr. 25, 2008	Nov. 23, 2012	\$1.8	11
Orla Mining Ltd.	OLA	Mining	Feb. 04, 2010	Nov. 01, 2018	\$1.5	8
WELL Health Technologies Corp.	WELL	Consumer Products & Services	Mar. 28, 2019	Jan. 10, 2020	\$1.1	10
NexGen Energy Ltd.	NXE	Mining	Apr. 23, 2013	Jul. 15, 2016	\$0.9	8
Goodfood Market Corp.	FOOD	Consumer Products & Services	Jun. 07, 2017	Jul. 07, 2017	\$0.6	7
PyroGenesis Canada Inc.	PYR	Clean Technology	Jul. 20, 2011	Jan. 20, 2020	\$0.6	-

Note: Top 10 TSX companies by market cap that graduated in the past 5 years.
Analyst coverage data from S&P Capital IQ.

10 Largest Available CPCs

	Symbol	Listing Date	Market Cap at Nov. 30, 2020	Total Capital Raised (Seed + IPO)	Sector of Preference
Stormcrow Holdings Corp.	CROW.P	Sep. 22, 2020	\$2.6	\$2.3	All Sectors
GHP Noetic Science-Psychedelic Pahrma Inc.	PSYF.P	Aug. 11, 2020	\$2.0	\$1.5	Life Sciences
Hope Well Capital Corp.	HOPE.P	May 08, 2017	\$1.9	\$1.4	All Sectors
Cinaport Acquisition Corp. III	CAC.P	Nov. 26, 2018	\$1.0	\$1.1	All Sectors
Cherry Street Capital Inc.	CHSC.P	Sep. 27, 2018	\$0.02	\$1.0	All Sectors
Valencia Capital Inc.	VAL.P	Aug. 14, 2020	\$1.3	\$1.0	Tech or Industrial
Victory Capital Corp.	VIC.P	Nov. 23, 2017	\$0.5	\$0.9	All Sectors
Spirit Banner II Capital Corp.	SBTC.P	Nov. 01, 2018	\$0.4	\$0.8	Mining
9 Capital Corp.	NCPL.P	Sep. 24, 2018	\$0.8	\$0.8	All Sectors
Hoist Capital Corp.	HTE.P	Aug. 14, 2018	\$0.4	\$0.8	All Sectors

[Click here for a full list of available CPCs as of November 30, 2020](#)

All figures as at November 30, 2020, unless otherwise specified. Source: TSX/TSXV Market Intelligence Group.

For more information, contact:

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