

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 Changes

April 30, 2025

Item 3 — News Releases

The news release was disseminated by the Company on May 1, 2025 through Cision (Newswire), a copy of which has been filed under the Company’s profile on SEDAR+ at www.sedarplus.ca.

Item 4 — Summary of Material Changes

On May 1, 2025, the Company announced that it anticipated a delay in filing its annual financial statements for the year ended December 31, 2024, the related management’s discussion and analysis and the management certifications of annual filings before the April 30, 2025 deadline.

The Company has applied to the Ontario Securities Commission, as principal Canadian regulator for the Company, for the imposition of a management cease trade order under National Policy 12-203 – *Management Cease Trade Orders* throughout the duration of the default.

Item 5 — Full Description of Material Changes

5.1 Full Description of Material Changes

Please see the attached news release, which is attached hereto as Schedule “A”.

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 changes and this report: Amber Kehoe, Corporate Secretary, may be reached at 1-877-279-3061 Ext. 105.

Item 9 — Date of Report

May 6, 2025.

SCHEDULE “A”

See attached.

Frontenac Mortgage Investment Corporation Announces Expected Delay in Filing Annual Financial Statements

Sharbot Lake, April 30, 2025

Frontenac Mortgage Investment Corporation (“**FMIC**” or the “**Company**”) announced today that it anticipates a delay in filing its annual financial statements for the year ended December 31, 2024, the related management’s discussion and analysis and the management certifications of annual filings (collectively, the “**Required Documents**”) before the April 30, 2025 deadline (the “**Filing Deadline**”).

The Company has been advised by its external auditors, MNP LLP, that while the Company is working diligently with MNP LLP in the process of performing the audit for the year ended December 31, 2024, MNP LLP is experiencing delays in the completion of the audit which will result in the Company being delayed in filing the Required Documents by the Filing Deadline.

The Company has applied to the Ontario Securities Commission (the “**OSC**”), as principal Canadian regulator for the Company, for the imposition of a management cease trade order (“**MCTO**”) under National Policy 12-203 – *Management Cease Trade Orders* (“**NP 12-203**”) throughout the duration of the default. The MCTO, if approved, would generally not affect the ability of persons who are not management of the Company to trade in its securities.

There is no certainty that the MCTO will be issued. In the event that the MCTO is not issued, the OSC may issue a general cease trade order against the Company for failure to file the Required Documents within the prescribed time period.

The Company confirms that it will satisfy the provisions of the alternative information guidelines under NP 12-203 by issuing bi-weekly default status reports in the form of news releases for so long as it remains in default of the above-noted filing requirements and further confirms there is no other material information relating to its affairs that has not been generally disclosed.

FMIC’s management is working diligently to remedy the situation and anticipates the Required Documents will be filed as soon as they are available, currently expected by June 30, 2025.

FMIC intends to provide updates on further developments in respect of this matter promptly following their occurrence. Other than as disclosed herein, the Company is up to date in its filing obligations.

For more information, please contact:

Amber Kehoe
Corporate Secretary
Frontenac Mortgage Investment Corporation
1-877-279-3061 Ext. 105

Forward-Looking Statements

This press release contains certain forward-looking statements and forward-looking information (collectively referred to herein as “**forward-looking statements**”) within the meaning of applicable Canadian securities laws, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company, and specifically includes statements relating to the timing of the filing of the Required Documents, the redemption of shares in accordance with its Pro Rata Redemption Plan and the issuance of an MCTO. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “achieve”, “could”, “believe”, “plan”, “intend”, “objective”, “continuous”, “ongoing”, “estimate”, “outlook”, “expect”, “may”, “will”, “project”, “should” or similar words, including negatives thereof, suggesting future outcomes.

Forward-looking statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors beyond FMIC's ability to predict or control which may cause actual events, results, performance, or achievements of FMIC to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking statements herein. Forward-looking statements are not a guarantee of future performance. Although FMIC believes that any forward-looking statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such statements, there can be no assurance that any such forward-looking statements will prove to be accurate. Actual results may vary, and vary materially, from those expressed or implied by the forward-looking statements herein. Accordingly, readers are advised to rely on their own evaluation of the risks and uncertainties inherent in forward-looking statements herein and should not place undue reliance upon such forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Any forward-looking statements herein are made only as of the date hereof, and except as required by applicable laws, FMIC assumes no obligation and disclaims any intention to update or revise any forward-looking statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward-looking statements herein, whether as a result of new information, future events or results, or otherwise.