



FOURTH QUARTER 2018 TOP PICKS

October 4, 2018

| Top Picks | Q318 |
|---------------------|----------|
| PI Top Picks | -10.8% * |
| TSX Index | -1.3% |
| TSX Small Cap Index | -3.4% |
| TSV Venture Index | -4.2% |

Pricing as of September 28, 2018



Changes to Q4 2018 Top Picks

Added:

Atlantic Gold Corp (V-AGB)
iAnthus Capital Holdings Inc. (C-IAN)
SilverCrest Metals Inc. (V-SIL)
Victoria Gold Inc. (V-VIT)

Removed:

Jaguar Mining Inc. (T-JAG)
Organigram Holdings Inc. (V-OGI)
Otis Gold Corp. (V-OOO)
SSR Mining Inc. (T-SSRM)

Alcanna Inc.
(T-CLIQ)

Atlantic Gold Corp
(V-AGB)

iAnthus Capital Holdings Inc.
(C-IAN)

North American Construction Group
(T-NOA; NYSE-NOA)

Reliq Health Technologies Inc.
(V-RHT)

SilverCrest Metals Inc.
(V-SIL)

Victoria Gold Inc.
(V-VIT)

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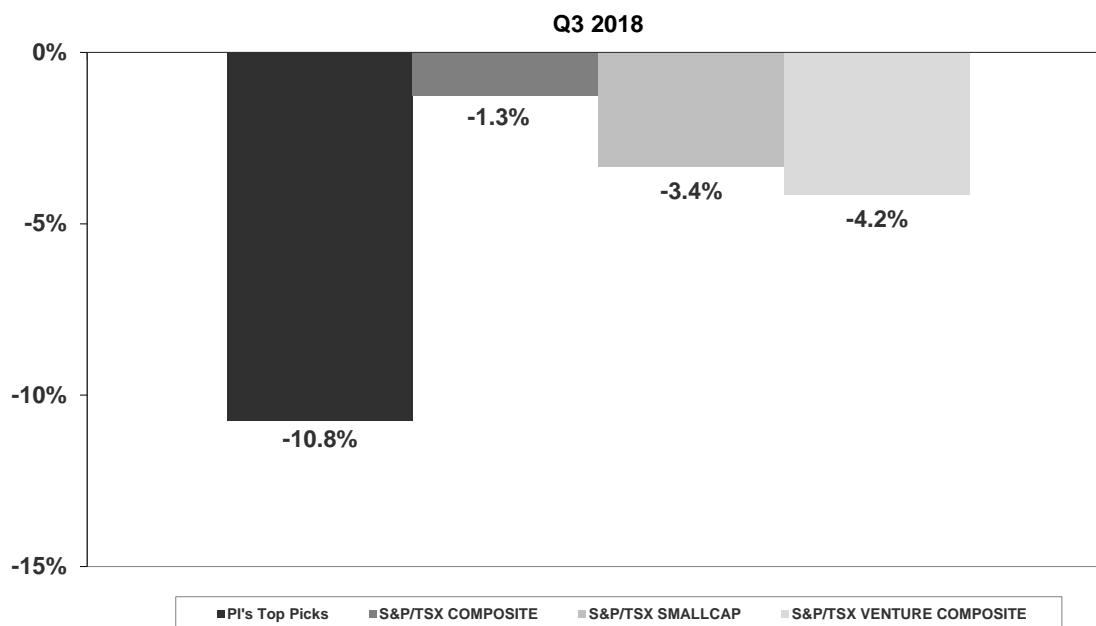
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THIRD QUARTER TOP PICKS GENERATE -10.8% RETURN

PI's Q318 Top picks underperformed the S&P/TSX Composite Index, the S&P/TSX Small Cap Index, and the S&P/TSX Venture Index in the third quarter of 2018. PI's Top Picks decreased by 10.8% in Q318 compared to a 1.3% decrease on the S&P/TSX Composite Index, a 3.4% decrease on the S&P/TSX Small Cap Index and a 4.2% decrease on the S&P/TSX Venture Index.

Our Top Picks performance reflects the impact of our commodity-heavy weighting which includes three mining sector picks, as well as one special situations pick, one technology pick, one industrial pick, and one consumer products pick.



Source: PI Financial Corp.

* To calculate Top Pick performance we assume an equal weighted purchase of each of our recommendations. Top Picks are assumed sold at the end of each quarter and the total proceeds are assumed reinvested equally in each of our new Top Picks for the next quarter. Transaction fees are not included. The S&P/TSX Composite index is calculated based on a market capitalization weighting versus our Top Picks performance which uses an equal weighted percentage change that includes dividend payment.

North American Construction Group (T-NOA; NYSE-NOA), our Industrials Top Pick, was up 63% in Q318 and outperformed the Energy Equipment and Services Index, which was down 1.1% in the quarter. During the quarter, NOA reported strong Q2 FY18 results that beat estimates during a seasonally weak quarter. Management continues to deliver on their strategic goals by acquiring a 49% ownership interest in Nuna Logistics furthering the company's diversification efforts. Subsequent to the quarter NOA entered into an agreement to acquire the heavy construction equipment fleet from Aecon Group's Contract Mining business for \$199.1M.

OrganiGram (V-OGI) was up 29% in Q3 as the sector soared fueled by the \$5B investment in Canopy by Constellation Brand. OrganiGram secured more provincial supply deals in Manitoba and Alberta in the quarter as the Company prepares for the legalization.

Alcanna Inc. (T-CLIQ) was the top performer of our consumer products names, up 17.6%. It beat the Consumer Discretionary index (down 8.4%) and the Consumer Staples Index (down 2.7%). The stock traded in the \$9.00 to \$10.00 range until the latter half of September when excitement over cannabis retailing finally took hold. Management have said they want to open the maximum number of stores allowed in Alberta (37) and open in Ontario as well.

SSR Mining Inc. (V-SSRM) was down 13.4% in Q318 and slightly outperformed the GDXJ which was down 16.3%. The Company was impacted by the announcement of a new export tax in Argentina, where it is currently developing its 75%-owned JV Puna project. While we have incorporated the impact of the export tax, the Argentine Peso's continued devaluation will likely yield cost savings which we are not modelling. The Company's other assets continue to perform well, remaining on-track to meet 2018 guidance.

Otis Gold (V-OOO) suffered losses (16.2%) in-line with the GDXJ which was down 16.3%. Despite the loss OOO delivered on two key catalysts for the quarter: an updated resource estimate and a new 5-yr drill permit. The new resource estimate

outlines a significant increase (+59%) in indicated resources and total global resources (+17%) compared to the previous 2012 resource estimate. The new permit allows increased road building and drilling on up to 140 new sites and we expect drilling to commence in the near term.

Reliq Health Technologies Inc. (V-RHT), our top pick in the technology sector, was down 37% in Q318, mostly due to lack of news flow and likely some profit taking. Although Reliq reported a few customer wins, they were not large enough to move the needle.

Jaguar Mining Inc. (T-JAG) was down 45.2% in Q318 as the Company announced the departure of CEO Rodney Lamond. Jaguar also had a slight miss in its Q218 financial results which led to downgraded production guidance for 2018 as ramp-up at Turmalina dragged.

| Q3 2018 Top Picks | Value Jun 29/18 | Value Sep 28/18 | Return | Comparable Sub-index return | Sub-index |
|---------------------------------------|-----------------|-----------------|---------------|-----------------------------|--------------------|
| S&P/TSX VENTURE COMPOSITE | 740 | 709 | -4.2% | | n/a |
| S&P/TSX SMALLCAP | 642 | 621 | -3.4% | | n/a |
| S&P/TSX COMPOSITE | 16,278 | 16,073 | -1.3% | | n/a |
| North American Construction Group Ltd | \$7.75 | \$12.60 | 62.6% | -1.1% | Oil & Gas Services |
| OrganiGram Holdings Inc | \$5.34 | \$6.90 | 29.2% | 33.5% | Health Care |
| Alcanna Inc | \$9.14 | \$10.75 | 17.6% | -2.7% | Consumer Staples |
| SSR Mining Inc | \$12.97 | \$11.23 | -13.4% | -16.3% | Junior Gold Mine |
| Otis Gold Corp | \$0.19 | \$0.16 | -16.2% | -16.3% | Junior Gold Mine |
| Reliq Health Technologies Inc | \$1.86 | \$1.18 | -36.6% | 2.9% | Info Tech |
| Jaguar Mining Inc | \$0.37 | \$0.20 | -45.2% | -16.3% | Junior Gold Mine |
| | | Average | -10.8% | | -2.3% |

Source: PI Financial Corp.

* To calculate Top Pick performance we assume an equal weighted purchase of each of our recommendations. Top Picks are assumed sold at the end of each quarter and the total proceeds are assumed reinvested equally in each of our new Top Picks for the next quarter. Transaction fees are not included. The S&P/TSX Composite index is calculated based on a market capitalization weighting versus our Top Picks performance which uses an equal weighted percentage change that includes dividend payment.

SECTOR OVERVIEW

The S&P/TSX Composite Index fell 1.3% in the quarter. The S&P/TSX Consumer Discretionary Index was 8.4% lower, while the S&P/TSX Consumer Staples Index dropped 2.7%.

Our Consumer Products covered companies generated a -6.6% return in the quarter. Our best performers in Q318 were Alcanina (T-CLIQ) up 17.6% and Redishred Capital (V-KUT) up 16.7%.

SECTOR OUTLOOK

Our Consumer Products coverage list is primarily focused on small to mid-cap stocks that we expect to deliver growing cash flow, supported by appropriate capital structures. Stable economic growth remains a key underlying factor supporting positive returns from our covered companies.

Statistics Canada's survey of Retail sales for July, 2018 saw a 3.6% year-over-year gain, in-line with June's year-over-year gain of 3.7%. The big mover was gasoline stations up 20.2%. We won't see a similar pick up next quarter, as gas station sales rose through August and September and have been relatively flat in 2018. Beer, wine and liquor stores continue to show some growth, up 3.5%. We'll see if the legalization of recreational cannabis next month negatively impacts this number. Specialty food stores (up 5.5%) continued to outperform grocery (up 0.8%). This could benefit GreenSpace Brands (V-JTR). Used car sales are outperforming new car sales, up 10.5% versus up 1.2%. Most will need financing, which works in AXIS Auto Finance's (V-AXIS) favour.

The implementation of tariffs by various countries against the US could benefit Canadian companies. Tariffs imposed on American whiskey could benefit Corby Spirit and Wine Ltd. (T-CSW.a). Fortunately, the US dropping tariffs on a number of fish products processed in China will be a big benefit to High Liner Foods (T-HLF).

The US Centers for Medicaid and Medicare Services (CMS) began to move away from a fee for service model toward a value based purchasing model. This was designed to make healthcare providers focus more on efficient patient care that would reduce hospital re-admissions. US insurers are following suit. We believe this move will benefit those service providers that can help with early diagnosis's, like Akumin (T-AKU).

Bob Gibson

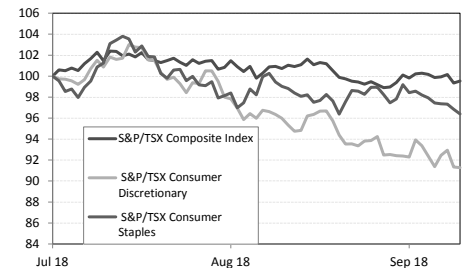
B.Comm, CFA

416.883.9047

bgibson@pifinancial.com



RELATIVE PERFORMANCE
vs. TSX COMPOSITE



TOP PICK – ALCANNA INC. (T-CLIQ)

| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Net Cash (Debt) (Million) | Revenue (Million) | | | Earnings Per Share (FD) | | | P/E Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|---------------------------------|--------------|--------------|-------------------------|-----------------------|---------------------------|-------------------|---------|---------|-------------------------|----------|----------|-----------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| Akumin Inc. | T-AKU.u | \$4.15 | 61.2 | \$254 | (\$81) | \$111 | \$161 | \$209 | (\$0.27) | \$0.24 | \$0.32 | 17.3x | \$7.50 | 89% | BUY | ABV |
| Alcanina Inc. | T-CLIQ | \$10.75 | 34.6 | \$372 | (\$6) | \$621 | \$624 | \$799 | (\$1.10) | \$0.06 | \$0.50 | NMF | \$15.00 | 43% | BUY | AVG |
| Axis Auto Finance Inc. † | V-AXIS | \$0.52 | 88.5 | \$46 | (\$59) | \$6.8 | \$17.5 | \$41 | (\$0.01) | \$0.00 | \$0.07 | N/A | \$1.70 | 227% | BUY | AVG |
| Corby Spirit and Wine Ltd. | T-CSW.A | \$20.16 | 28.5 | \$575 | \$70 | \$144 | \$147 | \$145 | \$0.90 | \$0.90 | \$0.90 | 22.4x | \$22.75 | 17% | NEUTRAL | AVG |
| GreenSpace Brands Inc | V-JTR | \$0.91 | 72.1 | \$66 | (\$24) | \$42 | \$65 | \$99 | (\$0.07) | (\$0.07) | (\$0.11) | N/A | \$2.10 | 131% | BUY | ABV |
| High Liner Foods Inc. | T-HLF | \$8.05 | 33.4 | \$269 | (\$369.3) | \$1,054 | \$1,097 | \$1,111 | \$0.66 | \$0.89 | \$1.48 | 9.0x | \$11.75 | 53% | BUY | AVG |
| Indigo Books and Music Inc. | T-IDG | \$14.00 | 26.3 | \$368 | \$155 | \$1,020 | \$1,079 | \$1,122 | \$0.78 | \$0.78 | \$0.41 | 17.9x | \$24.50 | 75% | BUY | AVG |
| Medicare Inc. | V-MPH | \$7.15 | 17.6 | \$126 | \$85 | \$27 | \$32 | \$48 | \$2.39 | \$0.57 | \$1.41 | 12.5x | \$12.50 | 75% | BUY | ABV |
| Noblis Health Corp. | Q-HLTH | US\$1.00 | 78.2 | US\$78 | (US\$102.0) | US\$300 | US\$322 | US\$375 | US\$0.05 | US\$0.17 | US\$0.29 | 5.9x | US\$1.83 | 83% | BUY | ABV |
| Premium Brands Holdings Corp. † | T-PBH | \$94.23 | 29.8 | \$2,808 | (\$791) | \$2,198 | \$3,008 | \$3,398 | \$2.72 | \$4.06 | \$4.96 | 23.2x | \$128.00 | 38% | BUY | AVG |
| Redishred Capital Corp. | V-KUT | \$0.70 | 47.2 | \$33 | \$9 | \$11 | \$14 | \$19 | \$0.02 | \$0.03 | \$0.06 | 35.0x | \$1.15 | 64% | BUY | ABV |

† PI Financial Corp. has received compensation for acting as fiscal agent or advisor for the subject company over the preceding 12-month period.

ALCANNA INC. (T-CLIQ)

Rating: BUY, Target: \$15.00

MONEY FOR NOTHING AND THE DRINKS FOR FREE!

- ▶ Alcanna Inc. (T-CLIQ) operates 229 retail liquor stores including 173 stores in Alberta, 33 in BC, 22 in Alaska and 1 in Connecticut. CLIQ shares generated a 17.6% return in the quarter.
- ▶ In anticipation of the legalization of recreational cannabis, a number of companies that want to become cannabis retailers have gone public and/ or raised equity. They cannot open a store until after legalization, so estimating sales and earnings is challenging. Any money raised will be used for store fixturing and inventory. Solo Growth, trading as Aldershot Resources (ALZ-V) and backed by Canopy Rivers (RIV-CSE) wants to roll out cannabis retail in Alberta and Ontario. It has a fully diluted market cap of ~\$275.0M. Fire & Flower, looking to open cannabis stores in B.C., Alta, Sask, Man and Ont, is looking to raise \$30.0M which would give it an estimated market cap of \$216.5M. Alcanna's market cap is ~\$360.0M. So investors are getting all of Alcanna's liquor business and its \$24.7M of operating margin for \$85.0M or 3.4x.
- ▶ Subject to provincial licensing and municipal regulations, CLIQ expects to have about 37 cannabis retail locations in Alberta, 12 to 15 are expected to be open by year end. These stores will be branded Aurora. Management said they are prepared to open in Ontario and investor Aurora Cannabis has said they'd like to have 100 stores in Ontario. Alcanna is targeting new users and the stores will have an upscale experience. They look to leverage Aurora Cannabis's expertise in the cannabis space to train employees.
- ▶ During the quarter, Alcanna reported Q218 sales of \$161.1M a decrease of 0.8%. Same store sales were -0.8% in Canada, but up 3.5% in the US. Gross margin fell in line with sales to \$40.0M and as a percentage of sales dropped to 24.8% from 26.7%. Margins would have been higher, but the Company moved strategically to be more competitive and it launched its own discount banner. The Company continues to be impacted by the minimum wage increase in Alberta and B.C. Adj. operating profit dropped from \$7.6M last year to \$1.8M.
- ▶ The next two years will bring about a lot of change. Accelerated Alberta store renovations, the launch of a retail cannabis business, a new discount banner (Deep Discount Liquor) and a new ERP system. Net margins will suffer as store renovations will hurt sales and expenses rise with rent and salaries for the cannabis initiative.
- ▶ For 2018, revenue is expected to be \$624.0M, while adj. operating profit should come in at \$24.7M. In 2019 we are forecasting revenue of \$798.8M and adj. operating profit of \$40.4M.
- ▶ We are maintaining our **BUY, AVERAGE risk rating, and 12-month target of \$15.00.**

OPINION AND SHARE INFORMATION

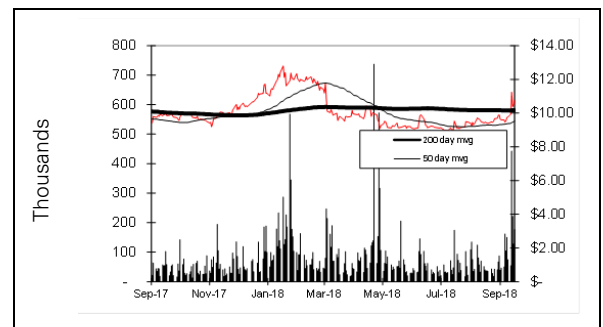
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|--------------------------|------------------|
| Risk: | AVERAGE |
| Current Price: | \$10.75 |
| Potential Return: | 43% |
| 52 week High / Low: | \$12.95 / \$8.49 |
| Shares Outstanding: | 34.7M (fd) |
| Market Capitalization: | \$362M |
| 30 Day Av. Daily Volume: | 64.3K |
| Net Debt: | \$5.5M |
| Dividend / Yield | \$0.36/yr; 3.7% |
| President & CEO: | James Burns |
| CFO: | David Gordey |

FINANCIAL SUMMARY

(FYE Dec 31st)

| (\$000's except EPS) | 2016 | 2017 | 2018e | 2019e |
|------------------------------|---------|----------|---------|---------|
| Sales | 817,673 | 621,361 | 623,982 | 798,780 |
| Adj. op. margin | 41,752 | 28,577 | 24,739 | 40,377 |
| Adj. op. margin % | 5.1% | 4.6% | 4.0% | 5.1% |
| Net earnings attrib. to S/Hs | 15,129 | (30,527) | 2,027 | 18,444 |
| Adjusted EPS (fd) | \$0.46 | (\$1.10) | \$0.06 | \$0.50 |
| Dividends/share | \$0.48 | \$0.36 | \$0.36 | \$0.36 |

| Quarterly FY18 | Q1 | Q2 | Q3e | Q4e |
|-------------------|----------|----------|---------|---------|
| Sales | 125,814 | 161,084 | 162,047 | 175,037 |
| Adjusted EPS (fd) | (\$0.07) | (\$0.04) | \$0.06 | \$0.08 |



COMPANY DESCRIPTION

Alcanna Inc. (T-CLIQ) operates 229 retail liquor stores including 173 stores in Alberta, 33 in BC, 22 in Alaska and 1 in Connecticut.

SECTOR OVERVIEW

The third quarter started slow but ended in a flurry of activity. After Bill C-45 was passed into law most cannabis stocks slowly traded down until mid-August when Constellation Brands re-invested in Canopy Growth and injected \$5B of cash. The sector did not look back after that as all cannabis stocks appeared to feed off that move. The sector was down 15% from July 1 to August 13th and up 67% from August 14th to the end of September.

We initiated coverage of the US cannabis space in the third quarter and recommended iAnthus (C-IAN) and CannaRoyalty (C-CRZ). We believe the US market, which has historically traded at a discount to its Canadian peers, could catch up to its Northern brethren's multiples which should provide investors a nice return. Furthermore, the addressable market in the US is significantly larger than Canada although Canadian LPs have the advantage of export sales of medical cannabis which is not permitted in the US.

Our Top Pick for the upcoming quarter is iAnthus (C-IAN) which reflects our bullishness on the US market.

SECTOR OUTLOOK

Recreational cannabis sales begin on October 17th which is likely to make headlines around the world. We are uncertain whether this will be an upside catalyst for the sector given that it is expected and built into stock prices.

In the US, the US mid-term elections also bring special ballots on cannabis which this cycle will include Michigan (recreational use), Missouri (medical use), North Dakota (recreational use) and Utah (medical use). A second catalyst is the US Farm Bill 2018 which is expected to allow hemp production throughout the US and could also open the door for the open distribution of hemp-based CBD.

TOP PICK – IANTHUS CAPITAL HOLDINGS INC. (C-IAN)

| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Indicated Yield | Revenue (Million) | | | Earnings Per Share (FD) | | | P/E Current | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|--------------------------------|--------------|--------------|-------------------------|-----------------------|-----------------|-------------------|--------|---------|-------------------------|----------|----------|-------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| Aphria Inc. † | T-APH | \$18.00 | 238.1 | \$4,286 | N/A | \$20 | \$36.9 | \$188.8 | \$0.04 | \$0.18 | \$0.09 | NMF | \$28.00 | 56% | BUY | SPEC |
| Aurora Cannabis Inc. † | T-ACB | \$12.41 | 1,040.3 | \$12,911 | N/A | \$18 | \$64.5 | \$463.5 | (\$0.05) | (\$0.03) | \$0.06 | N/A | \$15.00 | 21% | BUY | SPEC |
| CannaRoyalty Corp. | C-CRZ | \$7.08 | 71.1 | \$503 | N/A | \$3 | \$41 | \$100 | (\$0.22) | (\$0.30) | \$0.01 | N/A | \$8.00 | 13% | BUY | SPEC |
| Canopy Growth Corp. † | T-WVEED | \$62.75 | 343.9 | \$21,579 | N/A | \$40 | \$77.9 | \$301.7 | (\$0.06) | (\$0.40) | N/A | N/A | \$60.00 | -4% | BUY | SPEC |
| Cronos Group † | T-CRON | \$14.35 | 215.5 | \$3,092 | N/A | \$4 | \$27.7 | \$65.4 | (\$0.01) | (\$0.00) | \$0.06 | N/A | \$15.00 | 5% | BUY | SPEC |
| Diversified Royalty Corp. † | T-DIV | \$3.17 | 109.7 | \$348 | 7.0% | \$21 | \$30.7 | \$36 | \$0.11 | \$0.15 | \$0.20 | 21.1x | \$4.25 | 41% | BUY | ABV |
| Emblem Corp. | V-EMC | \$1.64 | 189.7 | \$311 | N/A | \$3 | \$7.6 | \$28.2 | (\$0.14) | (\$0.08) | (\$0.00) | N/A | \$3.00 | 83% | BUY | SPEC |
| iAnthus Capital Holdings Inc. | C-IAN | \$7.58 | 108.7 | \$824 | N/A | N/A | \$3 | \$54 | N/A | (\$0.47) | \$0.03 | N/A | \$9.50 | 25% | BUY | SPEC |
| ICC Labs Inc. † | V-ICC | \$1.87 | 163.1 | \$305 | N/A | \$0 | \$3.8 | \$70.0 | (\$0.04) | \$0.02 | \$0.07 | NMF | \$2.75 | 47% | BUY | SPEC |
| OrganiGram Holdings Inc. † | V-OGI | \$6.90 | 161.8 | \$1,116 | N/A | \$8 | \$14.4 | \$98.0 | (\$0.11) | (\$0.01) | \$0.12 | N/A | \$8.00 | 16% | BUY | SPEC |
| Savaria Corp. † | T-SIS | \$19.99 | 47.0 | \$939 | 1.0% | \$181 | \$267 | \$435 | \$0.47 | \$0.61 | \$0.95 | 32.8x | \$22.00 | 11% | BUY | ABV |
| The Supreme Cannabis Company † | V-FIRE | \$2.23 | 364.3 | \$812 | N/A | N/A | \$9 | \$44 | (\$0.09) | (\$0.03) | (\$0.00) | N/A | \$4.50 | 102% | BUY | SPEC |
| Titanium Transportation Group | V-TTR | \$1.66 | 42.7 | \$71 | N/A | \$130 | \$182 | \$195 | (\$0.08) | \$0.14 | \$0.23 | 11.9x | \$3.50 | 111% | BUY | ABV |
| VIVO Cannabis Inc. † | V-VIVO | \$1.56 | 331.0 | \$516 | N/A | \$1 | \$10.2 | \$32.5 | (\$0.28) | (\$0.09) | (\$0.01) | N/A | \$2.50 | 60% | BUY | SPEC |

Jason Zandberg owns shares of Cenus Equipment Corp.

† PI Financial Corp. has received compensation for acting as fiscal agent or advisor for the subject company over the preceding 12-month period

Jason Zandberg

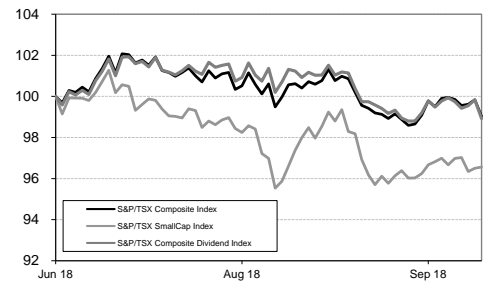
B.B.A., CFA

604.718.7541

jzandberg@pifinancial.com



RELATIVE PERFORMANCE
VS. TSX COMPOSITE



IANTHUS CAPITAL HOLDINGS INC. (C-IAN)

Rating: BUY, Target: \$9.50

SEEKING FOR DOMINANCE IN EAST COAST

- ▶ **iAnthus is a multi-state licensed cannabis operators in the US.** IAN is a vertically integrated company with operations including cannabis cultivation, product manufacturing and dispensary in Florida, Massachusetts, Vermont and New York. IAN is well-positioned to become market leaders in the US as more states open up for medical and recreational sales.
- ▶ **We have chosen iAnthus as our Q4 Top Pick** as the company is on track for dispensary rollout across the US in 2018. IAN currently owns five cultivation facilities and has licenses to operate up to 39 dispensaries. Significant catalysts such as new recreational markets (New York for example) and regulation easements (Florida allowing dried flower sales for example) will further propel IAN's revenue growth.
- ▶ **IAN is set to capitalize on first-mover advantage.** Management has been actively pursuing US cannabis businesses as a public company since September 2016, giving them an early mover advantage and making them one of the most seasoned groups in the public markets. As Massachusetts State began the adult use cannabis program in July 2018, IAN moved rapidly and has opened its first flagship dispensary in Boston, MA under the Mayflower banner.
- ▶ **IAN's dispensaries in New York State benefit from recent legislation.** Gov. Andrew Cuomo of New York State signed a legislation that allows medical cannabis to be used as an alternative to opioids, providing significant market share potential for IAN to capitalize. IAN has an existing lease for its flagship dispensary in Brooklyn, which is expected to be one of only three dispensaries in the city. The Company has begun construction of its cultivation facility in Warwick, NY to serve its dispensaries in Brooklyn, Staten Island, Dutchess County and Chemung County.
- ▶ **We forecast revenue of \$3.1M, \$54.3M and \$141.0M for FY18, FY19, and FY20 respectively.** We estimate EBITDA of (\$9.2M), \$9.1M, and \$37.6M for FY18, FY19, and FY20 respectively.
- ▶ We rate **iAnthus Capital Holdings Inc. (C-IAN)** with a **BUY** rating (Risk rating: **SPECULATIVE**) and a **12-month target of \$9.50**. This represents an EV/EBITDA multiple of 13x based on our FY20 EBITDA estimate.

OPINION AND SHARE INFORMATION

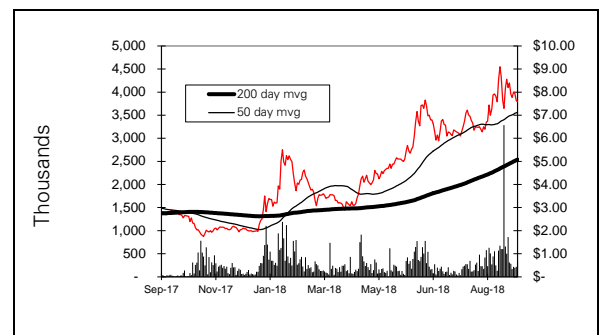
| | |
|----------------------------|-------------------------------------|
| Risk: | SPECULATIVE |
| Current Price: | \$7.58 |
| Potential Return: | 25.3% |
| 52-week High/Low: | \$9.49/ \$1.70 |
| Shares o/s (fd) ('000) : | 108,703 |
| Market Cap (fd) ('000): | \$823,966 |
| Market Float Value ('000): | \$471,259 |
| Average Trading Volume | 490,479 |
| Cash ('000): | \$27,108 |
| Debt ('000): | \$29,627 |
| CEO: | Hadley Ford |
| CFO: | Julius Kalcevich |
| Shareholders: | Mgmt/Insider 9% Institutional 1% |

FINANCIAL SUMMARY

(YE Dec. 31)

| \$USD | FY17a | FY18e | FY19e | FY20e |
|------------------|---------|----------|--------|---------|
| Revenue (\$K) | - | 3,131 | 54,250 | 141,000 |
| EBITDA (\$K) | (1,825) | (9,189) | 9,117 | 37,566 |
| EBITDA (%) | - | -293.5% | 16.8% | 26.6% |
| Net income (\$K) | (1,892) | (38,135) | 3,333 | 24,379 |
| EPS (\$) | (0.07) | (0.47) | 0.03 | 0.22 |
| EV/EBITDA | na | na | 44.1x | 10.7x |
| P/E | na | na | 247.2x | 33.8x |

| Quarterly EPS (\$) | Q1 | Q2 | Q3 | Q4 |
|--------------------|---------|---------|---------|---------|
| FY17 | (0.01)a | (0.61)a | (0.01)e | (0.01)e |
| FY18 | (0.00)e | 0.00e | 0.01e | 0.02e |



COMPANY DESCRIPTION

iAnthus Capital owns and operates licensed cannabis cultivators, processors and dispensaries throughout the United States. Founded by entrepreneurs with decades of experience iAnthus provides a unique combination of capital and hands-on operating and management expertise.

SECTOR OVERVIEW

The third quarter of 2018 ended with the S&P/TSX Composite index decreasing 1.3%, the S&P/TSX SmallCap index declining 3.4%, while the S&P/TSX Venture index was down 4.2%.

Our Industrials covered companies were up 24% in the third quarter beating the S&P/TSX Capped Industrials Index which was up 4.9% during the quarter.

In Q318, our top pick North American Construction Group (T-NOA; NYSE-NOA) was up 63%. During the quarter NOA reported strong Q2 results which beat estimates. The company also announced an agreement to acquire a 49% ownership interest in Nuna Logistics Limited furthering the company's diversification efforts. Subsequent to the quarter NOA entered into an agreement to acquire the heavy construction equipment fleet from Aecon Group's Contract Mining business for \$199.1M. Macro Enterprises (V-MCR) was up 19% as the company announced a pipeline construction contract for work on the North Montney Mainline project which helped offset further delays on the Trans Mountain pipeline expansion. Tree Island Steel (T-TSL) was down 11% during the quarter due to uncertainties related to steel tariffs and NAFTA negotiations. HEXO Corp. (T-HEXO), from our Cannabis covered companies, was up 73% as the company entered into a joint venture with Molson Coors Canada to pursue opportunities to develop cannabis-infused beverages.

SECTOR OUTLOOK

LNG Canada announced a positive FID in early Q4 (as we expected) which should lead to significant pipeline construction work. Macro Enterprises was awarded an ~\$360M contract for the pipeline associated with the LNG Canada facility (Coastal GasLink) providing the company upside exposure to the largest private sector investment project in Canada's history.

The steel wire and wire products market has struggled due to rapidly increasing raw materials prices from both domestic and international suppliers. External factors including U.S. steel tariffs and NAFTA negotiation could prolong the sectors recovery.

We remain bullish on North American Construction Group's outlook as the heavy equipment supply in the oil sands continues to tighten resulting in producers looking to lock down equipment on more favorable terms. We have selected North American Construction Group (T-NOA; NYSE-NOA) as our Q4 top pick.

TOP PICK – NORTH AMERICAN CONSTRUCTION GROUP (T-NOA; NYSE-NOA)

| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Indicated Yield | Revenue (Million) | | | Earnings Per Share (FD) | | | P/E Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|-----------------------------------|--------------|--------------|-------------------------|-----------------------|-----------------|-------------------|-------|-------|-------------------------|----------|--------|-----------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| HEXO Corp. | T-HEXO | \$8.75 | 229.4 | \$2,008 | N/A | 4.1 | 4.9 | 94.3 | (\$0.21) | (\$0.11) | \$0.04 | N/A | \$9.00 | 2.9% | BUY | SPEC |
| Macro Enterprises Inc. | V-MCR | \$3.48 | 36.9 | \$128 | N/A | 104.0 | 132.3 | 267.0 | (\$0.11) | (\$0.09) | \$0.45 | N/A | \$4.00 | 15% | BUY | SPEC |
| North American Construction Group | T-NOA | \$12.60 | 27.9 | \$352 | 0.6% | 292.6 | 376.0 | 721.0 | \$0.18 | \$0.52 | \$1.45 | 24.2x | \$18.00 | 43% | BUY | ABV |
| Tree Island Steel | T-TSL | \$2.65 | 29.5 | \$78 | 3.0% | 234.7 | 250.3 | 262.8 | (\$0.05) | \$0.15 | \$0.35 | 17.7x | \$3.50 | 35% | BUY | ABV |

Devin Schilling owns shares of Macro Enterprises

Devin Schilling

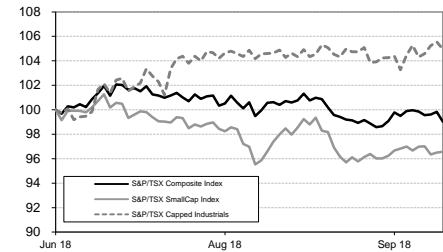
CFA

604.718.7557

dschilling@pifinancial.com



RELATIVE PERFORMANCE vs. TSX COMPOSITE



NORTH AMERICAN CONSTRUCTION GROUP (T-NOA; NYSE-NOA)

Rating: BUY, Target: \$18.00

BEST IN CLASS OPERATOR CONTINUES TO EXECUTE

- ▶ **North American Construction Group is a provider of heavy construction and mining services primarily in Western Canada.** The company has over 60 years of experience focused on supporting the construction and operation of surface mines (predominantly in the oil sands), but also more recently increasing their exposure to other non-oil sands resource development and civil infrastructure projects.
- ▶ **We have chosen NOA as our Q4 Top Pick** as the company continues to execute in its core oil-sands market while also furthering its diversification efforts into other resources and infrastructure projects through both organic growth and strategic acquisitions.
- ▶ In late September, NOA entered into an agreement to acquire a 49% ownership interest in Nuna Logistics Limited and related companies. This transaction is estimated to contribute ~\$80M of diversified revenue and ~\$14M of EBITDA to our FY19 estimates. Nuna's revenue is entirely non-oil sands related with customers that include Rio Tinto, Baffinland, De Beers, as well as various levels of Government.
- ▶ Subsequent to the quarter, NOA announced that it has entered into a purchase and sale agreement to acquire the heavy construction equipment fleet and related assets of Aecon Group's Contract Mining business. We forecast this acquisition will contribute ~\$220M in revenue and ~\$60M of EBITDA to our FY19 estimates.
- ▶ **Non-oil sands revenue will continue to grow in 2018 and beyond.** The company's new maintenance facility remains on schedule to be completed by year end. Management now has jobs from five customers at its existing Edmonton facility, up from three last quarter. NOA's new external maintenance business is estimated to eventually add +\$30M annually to the top-line.
- ▶ **Oil sands mining production is forecasted to increase 16% in 2018** largely due to the start-up of the Fort Hills project and increased mine site production at existing mines in an effort to lower operating costs per barrel. This forecasted increase in production is expected to create more demand for NOA's operation support services and also continue to tighten the heavy equipment supply in the oil sands.
- ▶ **Our forecasts include** revenue of \$376M in FY18 and \$721M in FY19 (unchanged) along with EBITDA of \$84.5M in FY18 and \$166M in FY19 (unchanged).
- ▶ We rate North American Construction Group with a **BUY** rating (risk: **ABOVE AVERAGE**) and a **12-month target of \$18.00 (unchanged)**. Our target represents an EV/EBITDA of 5.2x based on our FY19 estimates.

OPINION AND SHARE INFORMATION

| | |
|-------------------------|---------------------------------------|
| Risk: | ABOVE AVERAGE |
| Current Price: | \$12.60 |
| Potential Return: | 43% |
| 52-week High/Low: | \$13.44 / \$4.92 |
| Indicated Yield: | 0.6% |
| Shares o/s (fd) ('000): | 27,941 |
| Market Cap (fd) ('000): | \$388,940 |
| Average Trading Volume | 65,934 |
| Cash ('000): | \$2,836 |
| Debt ('000): | \$372,758 |
| CEO: | Martin Ferron |
| President: | Joe Lambert |
| Shareholders: | Mgmt/Insiders 9% Institutional 55% |

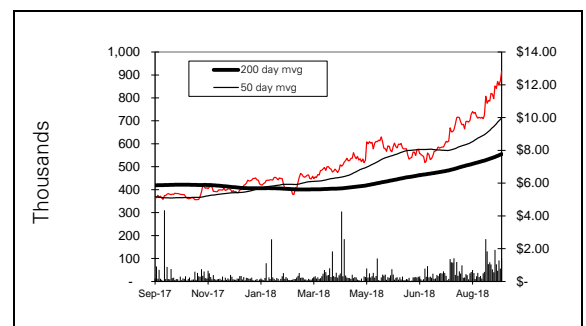
FINANCIAL SUMMARY

(FYE Dec 31)

| \$CAD | FY16a | FY17a | FY18e | FY19e |
|------------------|---------|---------|---------|---------|
| Revenue (\$K) | 213,180 | 292,557 | 375,969 | 721,045 |
| EBITDA (\$K) | 53,312 | 63,082 | 84,458 | 166,012 |
| EBITDA (%) | 25.0% | 21.6% | 22.5% | 23.0% |
| Net income (\$K) | (445) | 5,264 | 14,895 | 40,013 |
| EPS (\$) | (0.01) | 0.18 | 0.52 | 1.45 |
| EV/EBITDA | 14.1x | 11.9x | 8.9x | 4.5x |
| P/E | na | 78.9x | 27.1x | 9.7x |

| Quarterly EPS (\$) | Q1 | Q2 | Q3 | Q4 |
|--------------------|-------|---------|---------|-------|
| FY17 | 0.31a | (0.23)a | (0.02)a | 0.07a |
| FY18 | 0.36a | 0.00a | 0.01e | 0.13e |

All figures in C\$ unless otherwise noted.



COMPANY DESCRIPTION

North American Construction Group is a provider of heavy construction and mining services in Western Canada.

SECTOR OVERVIEW

Investor sentiment for mining stocks failed to improve in Q318. As anticipated, metal price weakness continued throughout the Summer, historically a time of sluggish price performance, particularly for precious metals. Precious metal prices remain depressed, weighed down by US\$ strength buoyed by a 0.25% US Fed rate hike and potentially more to come (another 0.25% this year and three more next year). As a consequence of pronounced metal price weakness during 3Q18, we lowered our near and long-term price assumptions for gold, silver, lead, zinc and copper (see our Sept-7-18 Report: [Mining: Tough Sledding. Looking for a H218 Rebound](#)).

During the quarter the gold price found support at ~US\$1,180/oz and currently trades in a tight band (US\$1,180/oz to US\$1,200/oz). Silver fared worse, slipping to 10-year lows but finding support at (~US\$14/oz). Luke warm investor sentiment for precious metals is demonstrated by a record ~25-year high Au: Ag ratio (~83:1), reflective of silver price weakness relative to gold and general investor apathy for the precious metals sector. Copper and Zinc prices have rebounded from ~2-year lows; nickel and palladium prices remain flat (Pd) to registering a modest gain YTD (Ni) and platinum prices remain depressed. Of note, the gold price in AUS\$ trades at attractive levels (>AUS\$1,600/oz) and in C\$ slightly lower (~C\$1,550/oz); prices that reinforce the appeal of Canada and Australia as favored jurisdictions to operate in.

As for mining sector focused equities, common themes at the forefront in investors' minds remain risk aversion (whether geopolitical or technical), and rewarding exploration success and/or near-term foreseeable development upside. This was our read on the sector after returning from the Colorado gold shows. Whilst many have varied opinions about the recently announced Barrick / Randgold transaction, our read is that it is positive for the sector, potentially triggering asset sales from Barrick. Also, transactions like a Barrick / Randgold tie up are needed to reinvigorate the mining sector.

Precious metals equity performance during the quarter also suffered in the downdraft of uncertainty surrounding the refocusing of the Vanguard Precious Metal and Mining Fund. Whilst we see the refocusing of the Vanguard fund as another example of deep negative sentiment being directed at the metals and mining sector we see the current environment as an opportune time to be looking for value opportunities in the precious metals and mining sector.

Attractively valued companies that demonstrated an ability to generate attractive FCF were rewarded in positive share price performance, OceanaGold (T-OGC +7%) which offer geopolitically security (besides the Philippines) and high-grade near-term development/exploration upside. Of note, Atlantic Gold (V-AGB -7%) delivered a negative share price performance but outperformed peers.

Silver-focused equities (producers) generally underperformed the silver price, reflective of the metal's poor performance relative to gold and significant cost constraints being experienced by many primary silver producers (T-EDR: -30%), (T-PAAS: -20%), (T-FVI: -25%) (T-EXN: -35%). Silver explorers bucked the trend, especially those that offer high grade exploration upside (V-SIL +15%). On the base metals front we note Ero Copper's (T-ERO) impressive Q318 performance (+20%), a reflection of expectations surrounding the declaration of commercial production at Vermelhos and exploration upside.

SECTOR OUTLOOK

Whilst we see support for gold and silver at the US\$1,200/oz and \$14.00/oz price levels and anticipate a slight uptick in metal prices as we move into the Fall, we still see the industry mired in apathy as far as investor sentiment is concerned. We continue to see investors gravitating towards names that offer strong execution records, underpinned by assets that can generate meaningful production growth and free cash flow. Whilst we see investor attention being directed towards companies that have and continue to demonstrate discovery success and/or companies executing on organic growth opportunities (with a near-term preference); we suspect cash flow and capital allocation will continue to be a focal point.

Our thesis amongst gold and silver equities remains unchanged and we continue to recommend investors maintain exposure with core positions in quality names, taking advantage of short-term opportunities created by valuation dislocations, potential upcoming catalysts and market re-ratings.

Chris Thompson

P. Geo.
604.718.7547
cthompson@pifinancial.com



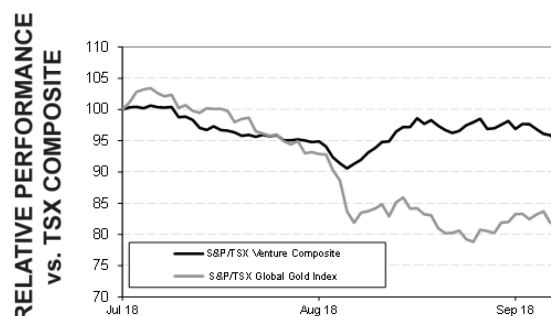
Philip Ker

P. Geo., MBA
647.789.2407
pker@pifinancial.com



Gary Sidhu

B.Sc, MBA
604.718.7544
gsidhu@pifinancial.com



TOP PICK – CHRIS THOMPSON: ATLANTIC GOLD CORP. (V-AGB)

| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Current Prodn. (Koz Au/Ag Eq. or Mbs Cu Eq.) | Revenue (Million) | | | Cash Flow Per Share (FD) | | | P/CFPS Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|---------------------------|--------------|--------------|-------------------------|-----------------------|--|-------------------|---------|---------|--------------------------|--------|--------|--------------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| Atlantic Gold Corp. | V-AGB | \$1.65 | 262 | \$432 | 85 | \$0 | \$119 | \$161 | (\$0.03) | \$0.26 | \$0.39 | 6.4x | \$2.50 | 52% | BUY | ABV |
| B2Gold Corp. | T-BTO | \$2.94 | 1,064 | \$3,127 | 959 | \$639 | \$1,228 | \$1,273 | \$0.20 | \$0.39 | \$0.43 | 7.5x | \$5.10 | 73% | BUY | ABV |
| Endeavour Mining Corp. | T-EDV | \$20.16 | 111 | \$2,241 | 685 | \$652 | \$829 | \$779 | \$2.38 | \$2.36 | \$2.55 | 8.5x | \$26.25 | 30% | BUY | ABV |
| Endeavour Silver Corp. | T-EDR | \$2.97 | 130 | \$385 | 10023 | \$150 | \$163 | \$174 | \$0.18 | \$0.24 | \$0.27 | 12.6x | \$3.75 | 26% | BUY | ABV |
| Fortuna Silver Mines Inc. | T-FVI | \$5.64 | 164 | \$923 | 19099 | \$268 | \$270 | \$272 | \$0.56 | \$0.53 | \$0.53 | 10.7x | \$7.00 | 24% | BUY | ABV |
| K92 Mining Inc. | V-KNT | \$0.85 | 212 | \$181 | 42 | \$0 | \$49 | \$92 | (\$0.02) | \$0.09 | \$0.18 | 9.1x | \$2.00 | 135% | BUY | ABV |
| OceanaGold Corp. | T-OGC | \$3.90 | 632 | \$2,467 | 698 | \$724 | \$764 | \$765 | \$0.62 | \$0.53 | \$0.48 | 7.3x | \$5.00 | 28% | BUY | SPEC |
| Pan American Silver | T-PAAS | \$19.04 | 155 | \$2,943 | 56592 | \$817 | \$823 | \$916 | \$1.36 | \$1.15 | \$1.41 | 16.6x | \$23.50 | 23% | BUY | ABV |
| SSR Mining Inc. | T-SSRM | \$11.23 | 124 | \$1,389 | 358 | \$449 | \$435 | \$586 | \$1.48 | \$1.00 | \$1.89 | 11.2x | \$17.50 | 56% | BUY | ABV |

† PI Financial Corp. has received compensation for acting as fiscal agent or advisor for the subject company over the preceding 12-month period

TOP PICK – PHIL KER: SILVERCREST METALS INC. (V-SIL)

| Company Name | Stock Symbol | Recent Price | Shares O/S BS (Million) | Market Cap. (Million) | Current Prodn. (Koz Au/Ag Eq. or Mbs Cu Eq.) | Revenue (Million) | | | Cash Flow Per Share (FD) | | | P/CFPS Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|---------------------------|--------------|--------------|-------------------------|-----------------------|--|-------------------|---------|---------|--------------------------|--------|--------|--------------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| Aico Gold Corp. | T-AIO | \$1.03 | 84 | \$87 | 123 | \$105 | \$141 | \$198 | \$0.71 | \$0.17 | \$0.27 | 1.5x | \$2.00 | 94% | BUY | SPEC |
| Auryn Resources Inc. † | T-AUG | \$1.38 | 86 | \$119 | N/A | \$0 | \$0 | \$0 | N/A | N/A | N/A | N/A | \$3.25 | 136% | BUY | SPEC |
| Balmoral Resources Ltd. | T-BAR | \$0.15 | 139 | \$21 | N/A | \$0 | \$0 | \$0 | N/A | N/A | N/A | N/A | \$0.50 | 233% | BUY | SPEC |
| Bluestone Resources Inc. | V-BSR | \$1.30 | 64 | \$83 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$2.40 | 85% | BUY | SPEC |
| ERO Copper Corp. | T-ERO | \$12.20 | 84 | \$1,025 | N/A | \$115 | \$169 | \$224 | \$0.62 | \$0.63 | \$1.13 | 19.7x | \$11.25 | -8% | BUY | ABV |
| Excellon Resources Inc. | T-EXN | \$0.96 | 99 | \$95 | 1980 | \$21 | \$29 | \$50 | (\$0.01) | \$0.01 | \$0.17 | N/A | \$1.55 | 61% | BUY | SPEC |
| Jaguar Mining Inc. † | T-JAG | \$0.20 | 325 | \$65 | 84 | \$105 | \$107 | \$151 | \$0.07 | \$0.07 | \$0.13 | 2.9x | \$0.70 | 250% | BUY | SPEC |
| Kirkland Lake Gold Corp. | T-KL | \$24.48 | 211 | \$5,165 | 627 | \$747 | \$834 | \$936 | \$1.48 | \$1.58 | \$1.92 | 16.5x | \$28.50 | 16% | BUY | ABV |
| Klondex Mines † | T-KDX | \$0.42 | 180 | \$76 | N/A | \$241 | N/A | N/A | \$0.23 | N/A | N/A | 1.8x | \$3.05 | 626% | TENDER | SPEC |
| MAG Silver Corp. † | T-MAG | \$10.44 | 81 | \$846 | N/A | \$0 | \$0 | \$0 | N/A | N/A | N/A | N/A | \$24.85 | 138% | BUY | SPEC |
| Nighthawk Gold Corp. † | T-NHK | \$0.40 | 194 | \$78 | N/A | \$0 | \$0 | \$0 | N/A | N/A | N/A | N/A | \$1.20 | 200% | BUY | SPEC |
| Revival Gold Inc. † | V-RVG | \$0.76 | 41 | \$31 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$1.65 | 117% | BUY | SPEC |
| SilverCrest Metals Inc. † | V-SIL | \$3.15 | 73 | \$230 | N/A | \$0.0 | \$0.0 | \$0.0 | N/A | N/A | N/A | N/A | \$5.45 | N/A | BUY | SPEC |
| Treasury Metals Inc. | T-TML | \$0.32 | 123 | \$39 | N/A | US\$0 | US\$0 | US\$0 | N/A | N/A | N/A | N/A | \$0.95 | 202% | BUY | SPEC |
| Trollus Gold Inc. | V-TLG | \$0.96 | 42 | \$40 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$3.80 | 296% | BUY | SPEC |
| Wesdome Gold Mines Ltd. | T-WDDO | \$3.54 | 134 | \$474 | 71 | \$96.0 | \$120.0 | \$162.0 | \$0.19 | \$0.32 | \$0.51 | 18.6x | \$3.75 | 6% | BUY | SPEC |

† PI Financial Corp. has received compensation for acting as fiscal agent or advisor for the subject company over the preceding 12-month period

TOP PICK – GARY SIDHU: VICTORIA GOLD CORP. (V-VIT)

| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Current Prodn. (Koz Au/Ag Eq. or Mbs Cu Eq.) | Revenue (Million) | | | Cash Flow Per Share (FD) | | | P/CFPS Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/Risk |
|---------------------|--------------|--------------|-------------------------|-----------------------|--|-------------------|-------|-------|--------------------------|--------|--------|--------------------|---------------------|--------------|--------------|-----------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| INV Metals | T-INV | \$0.38 | 100 | \$38 | N/A | \$0 | \$0 | \$0 | \$0.00 | \$0.00 | \$0.00 | N/A | \$2.05 | 439% | BUY | SPEC |
| Midas Gold Corp. | T-MAX | \$0.91 | 394 | \$358 | N/A | \$0 | \$0 | \$0 | \$0.00 | \$0.00 | \$0.00 | N/A | \$1.50 | 65% | BUY | SPEC |
| Otis Gold Corp. | V-OOO | \$0.16 | 169 | \$26 | N/A | \$0 | \$0 | \$0 | \$0.00 | \$0.00 | \$0.00 | N/A | \$0.60 | 287% | BUY | SPEC |
| Victoria Gold Corp. | V-VIT | \$0.35 | 866 | \$303 | N/A | \$0 | \$0 | \$0 | \$0.00 | \$0.00 | \$0.00 | N/A | \$0.80 | 129% | BUY | SPEC |

ATLANTIC GOLD CORP. (V-AGB)

Rating: BUY, Target: \$2.50

ATTRACTIVELY VALUED & PRIMED TO DELIVER H218 VALUE UPSIDE

- ▶ Atlantic Gold Corp. offers an **attractive valuation** relative to peers (trading at a discount ~0.8x Adj. P/NAV multiple) supported by a **healthy mine life** from its low cost Canadian (Nova Scotia) MRC operation and a **strong balance sheet**. Despite limited current operational diversity (one mine & one pit) we note AGB's **solid 2Q18 operating performance** (in-line with PI and consensus est.), and specifically AGB's **FCF generating ability** (2Q18: ~12% Annualized FCF/EV yield) which we expect will be maintained for the remainder of this year and into 2019 (on a NTM basis). We see 2Q18's performance as confirmation of AGB's FCF generating ability as the MRC operation benefits from **tweaks to the plant and improved grade** (H218). With all of AGB's production coming from a North American operation AGB also offers a **geopolitically stable asset basis** to add value (mine site, development and exploration).
- ▶ **2Q18:** AGB pre-reported production of ~22K oz Au. While costs (not pre-released) were somewhat higher than anticipated, both on a cash (~C\$570/oz) and AISC basis (~C\$740/oz), we note that higher grade was beginning to be mined in June and cost and production guidance remains unchanged. **We view this positively.**
- ▶ **Operations:** While MRC is tracking on the low side of 2018 production guidance and below cost guidance we anticipate a **stronger H218** vs. 1H18 (2H18: ~44K oz Au) and **lower costs** (implementation of a new revolving credit facility) (AISC: US\$560/oz). We see improved performance also driven by **higher milled grade and lower strip** (vs. 2Q18).
- ▶ **FCF:** We take comfort in C\$16.5M in FCF generated in Q218 and anticipate **~C\$30M in FCF in 2H18**, assuming base case US\$1,300/oz Au or **~C\$27M in FCF, assuming US\$1,200/oz Au** which represents an attractive **~10% FCF/EV yield**.
- ▶ **Balance Sheet:** AGB had C\$33M in cash as of 30 June, 2018. We note the **recent execution of a C\$150M senior secured revolving credit facility** which will be used to repay a C\$106M project loan facility and to provide **additional financing capacity** for development and growth opportunities.
- ▶ **Exploration:** We anticipate continued **drill results** from the 100,000 m Phase 4 Corridor Regional Drill Program as well as a **revised resource estimate** and **approval for the EIS for Beaver Dam** before yearend.
- ▶ We are maintaining our **BUY rating, ABOVE AVERAGE risk rating, and 12-month target of C\$2.50**. Our target reflects a 1.15x TP/NAV multiple, assuming base case long-term metal prices of US\$1300/oz Au.

OPINION AND SHARE INFORMATION

| | |
|-----------------------------|---------------|
| Risk: | ABOVE AVERAGE |
| Current Price: | \$1.65 |
| Potential Return: | 52% |
| 52 Week High-Low: | C\$1.99-1.30 |
| Shares Outstanding: | 233M |
| | 262M (fd) |
| Market Capitalization (C\$) | \$385 |
| 30 Day Average Trading Vol: | 170K |
| Cash (C\$): | \$16M |
| Debt (C\$): | \$118M |

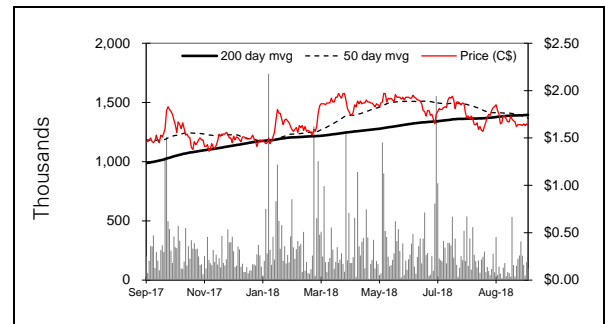
FINANCIAL SUMMARY

(FYE Dec. 31)

| | 2017A | 2018E | 2019E | 2020E |
|-----------------------|-------|-------|-------|-------|
| Production (koz Au): | 0 | 85 | 97 | 94 |
| AISC (US\$/oz Au): | 0 | 531 | 452 | 816 |
| CFPS (US\$ Excl. WC): | -0.03 | 0.26 | 0.39 | 0.24 |
| FCFPS (US\$ fd): | -0.09 | 0.21 | 0.38 | -0.26 |
| FCF/Trailing EV: | 0% | 11% | 21% | -18% |

NAVPS (C\$): \$2.16

| | 1Q18A | 2Q18A | 3Q18E | 4Q18E |
|---------------|-------|-------|-------|-------|
| Adj. FD EPS | 0.01 | 0.04 | 0.04 | 0.04 |
| CFPS (ex. WC) | 0.03 | 0.10 | 0.07 | 0.08 |



PI Financial Corp. has received compensation for acting as a fiscal agent for AGB in the previous 12 months. See the disclosure section for additional details.

COMPANY DESCRIPTION

Atlantic Gold is a junior gold producer, targeting >~80K oz in annual production from one mining complex. The company's production profile is underpinned by its flagship Moose River Consolidated Project (MRC) located in Nova Scotia..

SILVERCREST METALS INC. (V-SIL)

Rating: BUY, Target: \$5.45

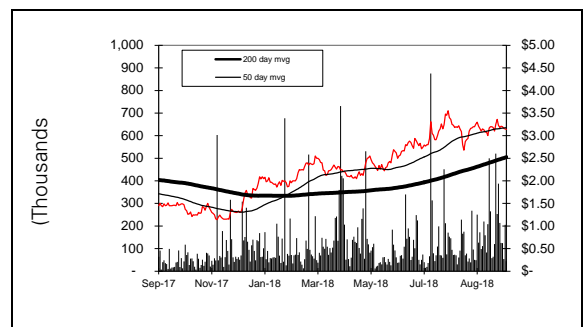
PUSHING PAST 100MOZ AGEQ OF HIGH-GRADE

- ▶ SilverCrest and its Las Chispas project in Sonora, Mexico has gained considerable traction in recent quarters. The on-going exploration success continues to define new high-grade mineralized veins across the property while definition drilling continues to expand on known zones of mineralization.
- ▶ Recently, SilverCrest tabled an attractive updated resource estimate for its Las Chispas project where they tabled 87Moz AgEq at high grades of 623g/t AgEq which included 56Moz AgEq at 1,091g/t AgEq from the Area 51 and Babi Norte veins. With on-going extension and definition drilling, we anticipate further growth to the resource and good potential for additional high-grade vein discoveries to be made.
- ▶ SilverCrest is rapidly moving the Las Chispas project ahead and is expected to deliver a third resource and a maiden PEA on the project in early 2019. With metal prices and particularly silver taking the brunt of a weak market, high-grade projects such as Las Chispas become favorable acquisition targets for producers looking to offset struggling operations with more robust, low cost mines to supplement cash flow. We believe Las Chispas will continue to gain traction as the project becomes de-risked and is a viable take-out candidate heading into 2019.
- ▶ Catalysts include in the near term include:
 - Commence underground exploration decline at Babicanora;
 - Further definition and expansion drill results;
 - Confirm discovery of new veins which can add to the global resource;
 - Increase geological confidence in Area 51 and Babi Norte leading to higher top-cut and modelled grade; and
 - Updated resource and PEA in Q1/19.
- ▶ SilverCrest continues to trade at an attractive valuation despite its recent success. SilverCrest trades at 0.6x our NAVPS which is generated under our forecasted operating scenario for Las Chispas. **We continue to maintain our BUY rating and \$5.45/sh target price and foresee SilverCrest having the ability to quickly fast-track Las Chispas to production or become a bona-fide take-out candidate.**

OPINION AND SHARE INFORMATION

| | |
|------------------------------|---------------|
| Risk: | SPECULATIVE |
| Current Price: | \$3.15 |
| Potential Return: | N/A |
| 52-week High/ Low: | \$3.58/\$1.05 |
| Shares Outstanding: | 73M basic |
| | 86M fd |
| Market Capitalization (C\$): | \$235M |
| 3-Month Avg. Daily Volume: | 150K |
| Working Capital (US\$): | \$17M |
| Long Term Debt (US\$): | \$0M |
| Enterprise Value (C\$): | \$218M |
| CEO: | Eric Fier |

FINANCIAL SUMMARY



PI Financial Corp. has received compensation for acting as a fiscal agent for SIL in the previous 12 months. See the disclosure section for additional details.

COMPANY DESCRIPTION

SilverCrest is a Canadian precious metals exploration company headquartered in Vancouver, BC, that is focused on new discoveries, value-added acquisitions and targeting production in Mexico's historic precious metal districts. The Company is led by a proven management team in all aspects of the precious metal mining sector, including the pioneering of a responsible "phased approach" business model taking projects through discovery, finance, on time and on budget construction, and production with subsequent increased value to shareholders.

VICTORIA GOLD CORP. (V-VIT)

Rating: **BUY**, Target: **\$0.80**

ON SCHEDULE AND ON TRACK FOR PRODUCTION

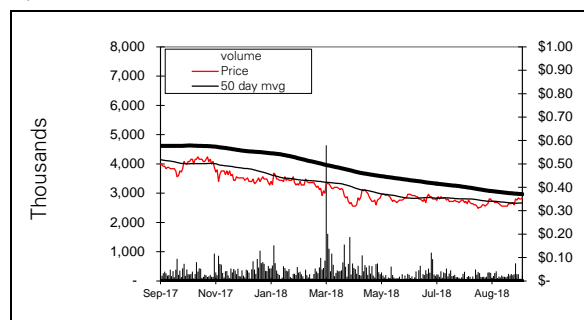
- ▶ **Victoria Gold Corp. is our top pick and well on its way to bringing the Eagle Gold deposit into production.** Victoria controls what we consider to be a strategic asset: a sizeable gold development project (~200koz/yr), which can be developed for a reasonable initial capital expenditure (~C\$442M), located in a top-tier political jurisdiction (Yukon), and with construction underway.
- ▶ **2018 Construction:** Detailed engineering is approximately 90% complete and on track to be fully completed by the end of October. VIT reports total project commitments of C\$304M of which C\$178M is incurred cost. This represents ~70% of the estimated construction cost (C\$442M).
- ▶ Earthworks for the major components are essentially complete allowing the emplacement of the liner on the heap leach pad and pouring of concrete foundations before the end of October weather window. All long lead items have been procured while primary mobile mining equipment has been delivered to site (hydraulic shovels, hauls trucks) and crushing equipment (primary, secondary, and tertiary crushers) are in transit. Structural concrete emplacement is well advanced and we anticipate the foundations for the gold and crushing plants to be complete by the end of October.
- ▶ **De-Risking:** VIT's management team has done well to take the necessary steps to continue to de-risk the project. With the earthworks ahead of schedule, procurement on track, and construction on schedule, VIT has materially reduced the risk of construction delays and continues to mitigate the associated technical risk through the completion of key critical path items and execution..
- ▶ **Peer Comparison:** Eagle screens favourably when compared with projects/mines in development or production based on Eagle's grade (0.67 g/t Au) and large reserve base (2.7 Moz). This reserve is a subset of the global project resource which totals 3.9 Moz at 0.62 g/t (Eagle) and 0.5 Moz at 1.0g/t (Olive). Further, we note that our LOM estimate of Eagle's AISC (\$785/oz) remains competitive when compared with peers, despite the inclusion of the Osisko 5% NSR. Also, Eagle offers an attractive annual LOM production profile (~190 koz Au/yr) and low strip ratio (1:1).
- ▶ **Opportunity:** Trading at a deep discount of 0.35x to our adj. P/NAV, we continue to rate VIT's shares a **BUY**. Our target price of **C\$0.80/sh** is based on 1.0x multiple to our NAV_{5%} of \$0.73/sh. After a successful summer of construction VIT remains on course to become Canada next premier gold mine as it continues to de-risk the project closing-in on the goal of first pour in H219 if not sooner.

OPINION AND SHARE INFORMATION

| | |
|----------------------------|----------------|
| Risk: | SPECULATIVE |
| Current Price: | \$0.35 |
| Potential Return: | 129% |
| 52-week High/Low (C\$/sh): | \$0.53/\$0.30 |
| Shares o/s (M): | 775 |
| Shares o/s (fd) (M): | 866 |
| Market Cap (basic) (C\$M): | \$308 |
| 3-month Trading Volume: | 345,988 |
| Working Capital (C\$M): | \$122 |
| Long Term Debt (C\$M): | 35.3 |
| EV/oz (C\$/oz): | \$63 |
| NAVPS (C\$/sh): | \$0.73 |
| P/NAV (x): | 0.35 |
| CEO: | John McConnell |
| Top Shareholders: | |
| Orion Mine Finance | 19.3% |
| Osisko Gold | 15.5% |
| Sun Valley Gold | 10.8 % |
| Oppenheimer Funds, Inc. | 1.2% |

KEY CATALYSTS & PERFORMANCE

| | F2017A | F2018E | F2019E | F2020E |
|----------------------------|---------|---------|---------|--------|
| Production (koz Au) | 0 | 0 | 24 | 166 |
| Total Cash costs (US\$/oz) | \$0 | \$0 | \$835 | \$730 |
| AISC (US\$/oz) | \$0 | \$0 | \$1,061 | \$880 |
| Operating cash flow (C\$m) | \$0 | \$0 | \$0 | \$0 |
| Capex (C\$m) | \$0 | \$0 | \$0 | \$0 |
| Free cash flow (C\$m) | \$5 | \$125 | \$70 | \$148 |
| CFPS | -\$0.01 | -\$0.01 | -\$0.01 | \$0.09 |
| EPS | -\$0.01 | \$0.00 | \$0.00 | \$0.05 |
| P/E | nm | nm | 354.7 | 9.3 |



COMPANY DESCRIPTION

Victoria Gold Corp. is a Canadian based junior exploration company focused on developing their flagship Eagle Gold Project located in central Yukon Territory. The project is fully permitted and under construction.

SECTOR OVERVIEW

Technology continues to help lead the way. The TSX InfoTech Index increased 2.9% in Q318. This compares to a decrease of 1.3% in the TSX Composite Index and a loss of 4.2% on the TSX Venture Composite. Year-to-date, the TSX InfoTech Index is up 24.5% compared to a 0.8% decrease for the TSX Composite Index and a 16.6% decline in the TSX Venture Composite.

All but four companies in the TSX InfoTech Index posted gains in Q3, led by Sierra Wireless Inc. (up 24%; T-SW). Next in line were Blackberry (up 15%; T-BB), Shopify (up 11%; T-SHOP), and Kinaxis (up 10%; T-KXS).

In the US, the Nasdaq rose a solid 6.9% in Q3, right in-line with the S&P 500 but behind the Dow Jones, which was up 9.0% in the quarter. The Nasdaq-100 Technology Index was up 2.9% in Q3.

Within our coverage universe, the top performer was Absolute Software (T-ABT), which was up 8.1% in Q3, followed by Sangoma Technologies (T-STC), which was up 7.7% in the two weeks since we initiated coverage while Vecima Networks (T-VCN) was up 7.2%.

SECTOR OUTLOOK

Headwinds from increased regulations and trade wars. The tech sector has been led by a relatively small number of US large cap tech companies (i.e., the FAANG stocks). However, the outlook has become more challenging, in part due to cybersecurity concerns over data and privacy breaches. Many of these companies have come under fire and are attracting increased scrutiny from governments in the US and abroad. With governments/regulators as well as users demanding changes, these companies and others are poised to face increasingly stringent cybersecurity as well as data privacy and quality regulations, which is likely to impact many other companies worldwide, including Canada. For example, the EU's General Data Protection Regulation (GDPR) has already caused companies to make significant investments to help ensure they are in compliance with the new data privacy regulations.


Trade war concerns also continue to linger, with US/China trade tensions at the top of the list. Although Chinese imports from the US are not enough to match the tariffs set by the US, the Chinese government has other ways to hamper US companies. For example, delays in securing Chinese approval led to Qualcomm abandoning its +US\$40 billion acquisition of NXP Semiconductors. China may also continue to increase regulation on US companies, encourage boycotting of American products and delaying other deals. US tech companies will be hard pressed to maintain market share globally without a strong backing from China as companies like Apple already face increasing competition in the Chinese market. Most Canadian tech companies are likely to see little impact on their businesses from the US/China trade war, especially software vendors and IT service providers. Hardware companies are more likely to be impacted, especially those that source components and manufacture their products in China.

TOP PICK – RELIQ HEALTH TECHNOLOGIES INC. (V-RHT)

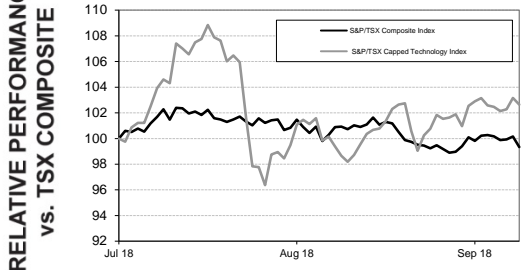
| Company Name | Stock Symbol | Recent Price | Shares O/S FD (Million) | Market Cap. (Million) | Net Cash (Debt) (Million) | Revenue (Million) | | | EBITDA (Million) | | | EV/EBITDA Current FYE | 12-Mos Target Price | Total Return | Stock Rating | Volatility/ Risk |
|------------------------------------|--------------|--------------|-------------------------|-----------------------|---------------------------|-------------------|----------|----------|------------------|-----------|----------|-----------------------|---------------------|--------------|--------------|------------------|
| | | | | | | FY17A | FY18E | FY19E | FY17A | FY18E | FY19E | | | | | |
| Absolute Software Corp. | T-ABT | \$7.40 | 40.5 | \$303 | US\$34.3 | US\$91.2 | US\$93.6 | US\$97.4 | US\$7.9 | US\$9.2 | US\$13.2 | 11.7x | \$10.00 | 38% | BUY | ABV |
| Axon Ventures Inc. | V-AXV | \$0.88 | 245.3 | \$216 | US\$3.4 | US\$6.7 | US\$12.6 | US\$56.2 | (US\$7.1) | (US\$6.8) | US\$29.7 | N/A | \$1.50 | 70% | BUY | SPEC |
| Blackline Safety Corp.† | V-BLN | \$4.98 | 41.9 | \$209 | \$16.8 | \$11.6 | N/A | N/A | (\$6.5) | N/A | N/A | N/A | \$7.75 | 56% | N/A | SPEC |
| Cortex Business Solutions Inc. | V-CBX | \$3.95 | 9.2 | \$36 | \$6.7 | \$11.1 | \$12.4 | \$15.8 | \$0.6 | \$2.0 | \$3.2 | 12.9x | \$7.25 | 84% | BUY | SPEC |
| Espial Group Inc. | T-ESP | \$1.26 | 36.3 | \$46 | \$34.9 | \$33.4 | \$25.3 | \$30.4 | (\$3.7) | (\$4.3) | N/A | N/A | Restricted | 23% | Restricted | Restricted |
| HIVE Blockchain Technologies Ltd.† | V-HIVE | \$0.60 | 325.2 | \$195 | US\$30.8 | N/A | US\$13.1 | US\$42.0 | N/A | US\$5.2 | US\$8.8 | NMF | \$0.85 | 42% | BUY | SPEC |
| ProntoForms Corp.† | V-PFM | \$0.33 | 110.2 | \$36 | US\$1.1 | US\$9.8 | US\$12.1 | US\$16.7 | (US\$2.5) | (US\$1.8) | US\$0.3 | N/A | \$0.70 | 112% | BUY | SPEC |
| Reliq Health Technologies Inc. | V-RHT | \$1.18 | 133.2 | \$157 | \$13.1 | \$0.2 | \$4.8 | \$26.2 | (\$2.6) | (\$1.3) | \$9.3 | N/A | \$2.60 | 120% | BUY | SPEC |
| Sangoma Technologies Corp. | STC-V | \$1.26 | 55.0 | \$9.3 | (\$22.5) | 26.9 | 57.4 | 98.5 | \$2.6 | \$6.3 | \$9.6 | 14.6x | \$2.25 | 79% | BUY | SPEC |
| Vecima Networks Inc | T-VCN | \$9.27 | 22.4 | \$208 | \$65.5 | \$71.5 | \$78.1 | \$98.7 | \$20.3 | \$14.5 | \$11.1 | 5.7x | \$9.50 | 2% | NEUTRAL | ABV |
| VersaPay Corp.† | V-VPY | \$1.70 | 39.5 | \$67 | \$9.8 | \$3.0 | N/A | N/A | (\$7.0) | N/A | N/A | N/A | Restricted | 91% | Restricted | Restricted |

† PI Financial Corp. has received compensation for acting as fiscal agent or advisor for the subject company over the preceding 12-month period

David Kwan
CFA
604.718.7528
dkwan@pifinancial.com



RELATIVE PERFORMANCE vs. TSX COMPOSITE



RELIQ HEALTH TECHNOLOGIES INC. (V-RHT)

Rating: BUY, Target: \$2.60

BETTER TIMES AHEAD

- ▶ Reliq Health Technologies Inc. is a healthcare technology company that provides innovative solutions for the community-based (i.e., non-hospital) healthcare market. The Company's flagship platform, iUGO Care, is a Software-as-a-Service (SaaS) based solution that enables remote patient monitoring, care collaboration, and telemedicine solutions.
- ▶ **We have chosen RHT as our Top Pick for Q4**, as we believe the share price is well positioned to rebound following the recent pullback, which we attribute to a slowdown in material news flow as well as some profit taking.
- ▶ **Continuing to add new customers and pilots.** In recent months, RHT announced several new customer wins in Texas that added over 5K patients to its contracted backlog, with total patients under contract being ~70K (~\$55M annual revenue run-rate at full deployment).
- ▶ They also announced a couple of new pilots/trials in Australia with Royal Flying Doctor Service Central Operations (RFDS) and AnglicareSA, which are expected to be completed by early next year. RFDS has over 300K patients (significantly higher than the ~70K patients RHT currently has under contract) while AnglicareSA provides homecare to over 1,500 people. As well, additional funding has been provided for its pilot with Sioux Lookout, which will allow for the diabetes pilot to be significantly expanded.
- ▶ **Key near-term catalysts include:**
 - New (significant) customer wins and pilots, including in states outside of its core base in Texas
 - Updates on patient deployments. Recall, patient onboarding had stalled since the spring due to a hardware/device shortage, which has since been rectified. With its largest customer, Rio Grande Valley Health Alliance (~40K patients under contract), starting their patient onboarding in the last month, Foracare D40g devices now available, and with CareOneTeam helping with implementations at patient's homes, RHT is set to see a sharp pick up in deployment activity that Management believes will allow it to reach its target of having ~30K patients on-boarded by the end of CY18
 - The release of its Q4 FY18 results later this month
- ▶ **Compelling valuation.** RHT is trading at under 8x CY19 Adj. EBITDA, well below its healthcare software and SaaS peers at ~11.5x and ~24x respectively, despite its pristine balance sheet (\$13M in cash and no debt) and vastly superior (organic) growth profile.
- ▶ We are forecasting revenue of \$4.8M in FY18, \$26.2M in FY19, and \$48.3M in FY20 with Adj. EBITDA of (\$1.3M) in FY18, \$9.3M in FY19 and \$26.0M in FY20.
- ▶ We have a **BUY** recommendation, **\$2.60/share** target price, and a **SPECULATIVE** risk rating on Reliq Health Technologies Inc. Our target price based on the average of 12x our CY19 Adj. EBITDA estimate and our DCF valuation.

OPINION AND SHARE INFORMATION

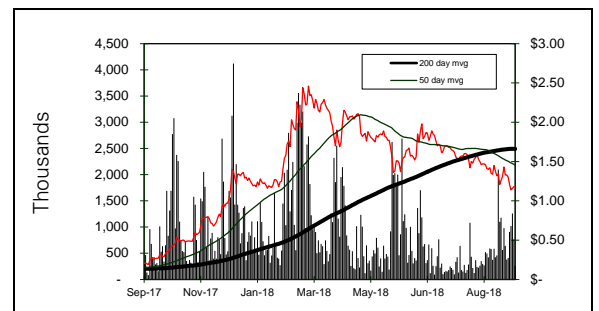
| | |
|----------------------------|---------------------------------|
| Risk: | SPECULATIVE |
| Current Price: | \$1.18 |
| Potential return: | 120% |
| 52-week High / Low: | \$2.62 / \$0.28 |
| Shares Outstanding: | 109.5 M (basic) 129.0 M (fd) |
| Market Capitalization: | \$153.5 M (fd) |
| Float: | 108.1 M |
| 3-Month Avg. Daily Volume: | 445,930 |
| Cash & Restricted Cash: | \$13.1M |
| Total Debt: | \$0 M |
| Insider Ownership: | 1.3% |
| CEO: | Lisa Crossley |
| CFO: | Aman Thindal |

FINANCIAL SUMMARY

| (FYE Jun 30) | FY17 | FY18e | FY19e | FY20e |
|-------------------|--------|--------|-------|-------|
| Revenue (\$M) | 0.2 | 4.8 | 26.2 | 48.3 |
| Adj. EBITDA (\$M) | (2.6) | (1.3) | 9.3 | 26.0 |
| Adj. EPS | (0.04) | (0.06) | 0.06 | 0.18 |

| | FY17 | FY18e | FY19e | FY20e |
|----------------|------|-------|-------|-------|
| EV/Revenue | NM | 29.1x | 5.4x | 2.9x |
| EV/Adj. EBITDA | N/A | N/A | 15.2x | 5.4x |
| P/E | N/A | N/A | 20.2x | 6.5x |

| Quarterly (FY18) | Q1 | Q2 | Q3 | Q4e |
|-------------------|--------|--------|--------|------|
| Revenue (\$M) | 0.3 | 0.9 | 1.1 | 2.6 |
| Adj. EBITDA (\$M) | (0.4) | (0.7) | (0.4) | 0.2 |
| EPS | (0.01) | (0.01) | (0.04) | 0.00 |



COMPANY DESCRIPTION

RHT is a healthcare technology company that provides innovative solutions for the community-based (i.e., non-hospital) healthcare market. The Company's flagship platform, iUGO Care, is a Software-as-a-Service (SaaS) based solution that enables remote patient monitoring, care collaboration, and telemedicine solutions.

Disclosure Fact Sheet

Ratings

BUY : recommendation: stock is expected to appreciate from its current price level at least 10-20% in the next 12 months.

NEUTRAL : recommendation: stock is expected to trade in a narrow range from its current price level in the next 12 months.

SELL : recommendation: stock is expected to decline from its current price level at least 10-20% in the next 12 months.

U/R : Under Review

N/R : No Rating

TENDER: Investors are guided to tender to the terms of the takeover offer.

Analyst recommendations and targets are based on the stock's expected return over a 12-month period or may be based on the company achieving specific fundamental results. Under certain circumstances, and at the discretion of the analyst, a recommendation may be applied for a shorter time period. The basis for the variability in the expected percentage change for a recommendation, relates to the differences in the risk ratings applied to individual stocks. For instance stocks that are rated Speculative must be expected to appreciate at the high end of the range of 10-20% over a 12-month period.

Price Volatility / Risk

SPECULATIVE : The Company has no established operating revenue, and/or balance sheet or cash flow concerns exist. Typically low public float or lack of liquidity exists. Rated for risk tolerant investors only.

ABOVE AVERAGE : Revenue and earnings predictability may not be established. Balance sheet or cash flow concerns may exist. Stock may exhibit low liquidity.

AVERAGE : Average revenue and earnings predictability has been established; no significant cash flow/balance sheet concerns are foreseeable over the next 12 months. Reasonable liquidity exists. Price Volatility/Risk analysis while broad based includes the risks associated with a company's balance sheet, variability of revenue or earnings, industry or sector risks, and liquidity risk.

Analyst Certification

I, Bob Gibson, Philip Ker, David Kwan, Gary Sidhu, Devin Schilling, Chris Thompson, and Jason Zandberg, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject securities or issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly related to the specific recommendations or views expressed in this report. I am the research analyst primarily responsible for preparing this report.

Research Disclosures

| Company | Disclosure | Particulars |
|-----------------------------------|------------|-------------|
| Alcanna Inc. | 4 | |
| Atlantic Gold Corp | 3, 4, 9 | |
| iAnthus Capital Holdings Inc. | 4 | |
| North American Construction Group | 4 | |
| Reliq Health Technologies Inc. | 4 | |
| SilverCrest Metals Inc. | 3, 4, 5 | |
| Victoria Gold Inc. | 4 | |

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- PI Financial Corp. and/or its affiliates expect to receive or intend to seek compensation for investment banking services from the subject company.
- PI Financial Corp. and/or its affiliates have managed or co-managed a public offering of securities for the subject company in the past 12 months.
- The following director(s), officer(s) or employee(s) of PI Financial Corp. is a director of the subject company in which PI provides research coverage.
- A member of the research analyst's household serves as an officer, director or advisory board member of the subject company.
- PI Financial Corp. and/or its affiliates make a market in the securities of the subject company.
- Company has partially funded previous analyst visits to its projects.
- Additional disclosure:

General Disclosure

The affiliates of PI Financial Corp. are PI Financial (US) Corp., PI Financial Services Corp., and PI Capital Corp.

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The attached summarizes PI's analysts' review of the material operations of the attached company(s).

| Analyst | Company | Type of Review | Operations / Project | Date |
|-----------------|-----------------------------------|-------------------|----------------------|-------|
| Jason Zandberg | iAnthus Capital Holdings | Management Update | Vancouver, BC | 08/18 |
| Bob Gibson | Alcanna Inc | Management Update | All | 08/18 |
| Chris Thompson | Atlantic Gold Corp. | Site Visit | MRC | 07/18 |
| Devin Schilling | North American Construction Group | Company Call | Vancouver, BC | 10/18 |
| David Kwan | Reliq Health Technologies Inc. | Management Update | Hamilton, ON | 06/18 |
| Phil Ker | SilverCrest Metals Inc. | Site Visit | Las Chispas | 09/18 |
| Gary Sidhu | Victoria Gold Corp. | Management Update | Vancouver, BC | 08/18 |

Disclosure to US Residents

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| Recommendations | Number of Recommendations | Percentage |
|-----------------|---------------------------|------------|
| BUY | 65 | 94.20% |
| NEUTRAL | 3 | 4.35% |
| SELL | 0 | 0.00% |
| TENDER | 1 | 1.45% |
| U/R | 0 | 0.00% |
| N/R | 0 | 0.00% |
| TOTAL | 69 | |

Stock Rating and Target Changes

For reports that cover more than six subject companies, the reader is referred to our corporate web site for information regarding stock ratings and target changes. www.pifinancial.com (Research: Research and Conflict Disclosure).

Capital Markets Group

Managing Director, SVP Capital Markets

Jeremiah Katz
604.664.2916

Managing Director, Head of Research

Bob Gibson, B.Comm, CFA
416.883.9047

Managing Director, Head of Institutional Sales & Trading

Jim Danis, B.Sc. (Hons.)
604.718.7551

Managing Director, Co-Head of Investment Banking

Dan Barnholden, MBA
604.664.3638

Managing Director, Co-Head of Investment Banking

Blake Corbet, BA
604.664.2967

Research Analysts

Consumer Products

Bob Gibson, B.Comm, CFA
416.883.9047

Mining

Chris Thompson, P. Geo
Head of Mining Research
604.718.7549

Philip Ker, PGeo, MBA
647.789.2407

Gary Sidhu, B.Sc., MBA
604.718.7544

Special Situations & Cannabis

Jason Zandberg, B.BA, CFA
604.718.7541

Industrials & Cannabis

Devin Schilling, CFA
604.718.7557

Technology

David Kwan, CFA
604.718.7528

Associate Analyst

Justin Stevens, EIT
604.718.7542

Research Associates

Fayassir Haqna, B.BA
604.718.7556

Neehal Upadhyaya, BAFM, MAcc
416.775.5107

Marketing and Publishing

Michelle Kwok
604.664.2724

Institutional Sales

Vancouver

Jim Danis, B.Sc. (Hons.)
604.718.7551

Jeremiah Katz
604.664.2916

David Goguen, CFA
604.664.2963

Doug Melton, FCSI
604.718.7532

Brodie Dunlop
604.718.7533

Toronto

Jose Estevez, CFA
416.883.9042

John McBride
416.883.9045

Institutional Trading

Vancouver

Darren Ricci
604.664.2998 or 800.667.6124 (US)
or 877.682.7233 (CDN)

Adam Dell, CFA
604.718.7517 or 888.525.8811

Calvin Buchanan
604.718.7535

Toronto

Lucas Atkinson
416.883.9048

Scott Brophy
416.883.9043

Investment Banking

Mining

Dan Barnholden, MBA
604.664.3638

Russell Mills, CFA, MFin
647.789.2405

Tim Graham, B.Comm
604.664.3656

Jim Locke, CFA
604.664.2670

Technology

Blake Corbet, BA
604.664.2967

Equity Capital Markets/Syndication

Tim Johnston
416.775.5112

Trina Wang
604.664.3637

Investment Banking Associate

Joe Brunner
604.664.3633

Investment Banking Analyst

Cameron Dowle
604.718.7516

PI Financial Corp.

www.pifinancial.com

Head Office

Suite 1900, 666 Burrard Street
Vancouver, BC V6C 3N1
ph: 604.664.2900 fx: 604.664.2666

Toronto Office

Suite 3401, 40 King Street West
Toronto, ON M5H 3Y2
ph: 416.883.9040 fx: 647.789.2401

Calgary Office

Suite 1560, 300 5th Avenue SW
Calgary, AB T2P 3C4
ph: 403.543.2900 fx: 403.543.2800

For a complete list of branch office locations and contact information, please go to www.pifinancialcorp.com

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