

FAX CAPITAL CORP.

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FOR IMMEDIATE RELEASE

FAX CAPITAL CORP. ANNOUNCES FILING OF FINAL PROSPECTUS

October 18, 2019, Toronto, Ontario – FAX Capital Corp. (the **Company**) (CSE: FXC) is pleased to announce that it has filed and obtained a receipt for its final prospectus (the **Final Prospectus**) in connection with the Company's previously announced proposed public offering (the **Offering**) of up to 33,333,333 units of the Company (**Units**) at a price of \$4.50 per Unit (the **Offering Price**). Each Unit consists of one subordinate voting share of the Company (a **Subordinate Voting Shares**) and a Subordinate Voting Share purchase warrant (a **Founder Warrant**). Each Founder Warrant will entitle the holder to acquire, subject to adjustment, one Subordinate Voting Share at an exercise price equal to \$4.50. The pricing reflects the consolidation of the outstanding Subordinate Voting Shares and multiple voting shares of the Company (the **Multiple Voting Shares**) on the basis of one post-consolidation share for each five pre-consolidation Subordinate Voting Shares or Multiple Voting Shares, respectively, which will occur on the business day prior to closing of the Offering.

The Offering is being conducted on a best efforts basis by a syndicate of agents (the **Agents**) led by CIBC Capital Markets and National Bank Financial Inc. pursuant to the terms and conditions of an agency agreement between the Company and the Agents. The Company has granted the Agents an over-allotment option to purchase up to an additional 15% of the aggregate number of Units issued at closing pursuant to the Offering to cover over-allotments, if any, and for market stabilization purposes.

The Company has received conditional approval for the listing of its Subordinate Voting Shares and the Founder Warrants (including the Subordinate Voting Shares issuable upon the exercise of the Founder Warrants) on each of the Toronto Stock Exchange (the **TSX**), pursuant to the TSX Sandbox requirements and otherwise subject to a \$50 million minimum offering, and the TSX Venture Exchange (the **TSXV**) on customary terms and conditions. The Company intends to list on the TSX if gross proceeds of the Offering exceed \$50 million and otherwise it will list on the TSXV.

Certain directors and senior officers of the Company (including Blair Driscoll, the Company's Chief Executive Officer) are expected to participate in the Offering and to collectively subscribe for up to 555,556 Units.

Closing of the Offering and commencement of trading of the Subordinate Voting Shares and the Founder Warrants on the applicable stock exchange is expected to occur in mid-November 2019, subject to customary closing conditions and the fulfillment of the listing conditions of the TSX or the TSXV, as applicable, as well as the closing of the previously announced private placement to Fax Investments Inc., the principal shareholder and a promoter of the Company, of Multiple Voting Shares of the Company at the Offering Price (the **Substantial Equity Investment**).

Important Notice

The Final Prospectus contains important information relating to the Units and other securities offered pursuant to the Offering and has been filed with securities commissions or similar authorities in each of the provinces and territories of Canada. This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities. Copies of the Final Prospectus may be obtained from one of the Agents or under the Company's profile on SEDAR at www.sedar.com.

None of the Units, the Subordinate Voting Shares nor the Founder Warrants have been or will be

registered under the United States *Securities Act of 1933*, as amended (the **U.S. Securities Act**), or any state securities laws. Accordingly, the Units may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About FAX Capital Corp.

The Company is an investment holding company with a business objective to maximize its intrinsic value on a per share basis over the long-term by seeking to achieve superior investment performance commensurate with reasonable risk. The Company intends to invest in equity, debt and/or hybrid securities of high-quality businesses. The Company initially intends to invest in approximately 10 to 15 high-quality small cap public and private businesses located primarily in Canada and, to a lesser extent, the United States.

For additional information please contact:

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Cautionary Note Regarding Forward-Looking Information

This press release contains forward-looking information. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Any such forward-looking information may be identified by words such as "proposed", "expects", "intends", "may", "will", and similar expressions. Forward-looking information contained or referred to in this press release includes, but is not limited to, the completion of the Offering and the Substantial Equity Investment and the expected closing date thereof; the exercise of the over-allotment option by the Agents; fulfillment of the listing conditions of the TSX or the TSXV, as applicable; the participation of certain directors and senior officers of the Company in the Offering; trading of the Subordinate Voting Shares and the Founder Warrants on the TSX or the TSXV, as applicable; and the share consolidation being effected and the expected timing thereof.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. Factors that could cause actual results to differ materially from those described in such forward-looking information include the success of the Offering. The forward-looking information in this press release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. The forward-looking statements or information contained in this press release are expressly qualified by this cautionary statement.

No securities regulatory authority has either approved or disapproved of the contents of this news release. Neither the Canadian Securities Exchange (CSE) nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.