

WARATAH CAPITAL ADVISORS LTD.

**31 January 2020
2:00 p.m. ET**

OPERATOR: This is Conference #: 3657917

Operator: Ladies and gentlemen, thank you for standing by, and welcome to Waratah's Annual Client Conference Call. At this time, all participants are in a listen-only mode. Please be advised that today's conference is being recorded. If you require any further assistance, please press "star" then "0."

I would now like to hand the conference over to your first speaker today, Mr. Blair Levinsky, Co-Founder, President, and CEO of Waratah Capital Advisors. Thank you. Please go ahead, sir.

Blair Levinsky: Good afternoon, and welcome to the call. This is a special call for us at Waratah as it marks our tenth anniversary. When I think back to our early years, I think of Brad and I working out of a temporary office with wires hanging out of the ceiling and a team of five.

Today when I look around, I take great comfort from the quality team we are fortunate to have working with us, now totaling 39 people across client services, operations and compliance, and investment management collectively managing our \$1.5 billion assets.

Over the past 10 years, global stocks rallied 242 percent but did experience five 10 percent or more corrections along the way. We manage for absolute or targeted returns irrespective of the market while keenly focused on protection of capital so that we can produce sleep-at-night returns.

After an 11-year bull market, we are focused as ever on protecting capital. While we started Waratah in February 2010, the funds didn't launch until June, so we look forward to sharing our 10-year numbers with you in the near future.

We are proud to report that during this last 10 years none of our funds have had a down year with the exception in 2018 in which Waratah One X was down 0.1 percent and Waratah Income was down 1.5 percent, both of which were great outcomes as compared to similar strategies and the markets.

In 2010 we had three funds and two portfolio managers. Today, we have eight funds and eight portfolio managers or equivalent designations with a total of 20 investment professionals as illustrated on Slide 4 of the presentation.

I will close my comments here with a quick summary of our eight strategies. Waratah One and One X are our market-neutral or low-net equity long/short strategies. They AESG stands for Alternative ESG – environmental, social, and governance – which is alternative only in that we can go short as well as long to generate returns and protect capital with an emphasis on ESG factors for both risk management and return opportunities. To date, most ESG funds are long-only ETFs.

Waratah Income is our equity fund which emphasizes dividend paying and/or high free cash flow generating companies. The Performance fund is our directional long/short equity fund with larger single positions and higher net market exposure averaging 57 percent net long since inception.

The last two strategies, Lithium Royalty Corp and Summerhill Resorts, are comprised of private investments in very specific categories. Lithium Royalty Corp is focused on acquiring a portfolio of revenue royalties on the best lithium projects in the world to play the global electrifications of transportation.

And Summerhill Resorts, where we are doing the same, but the assets we are acquiring are operating seasonal recreational vehicle resorts which are facing

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