

TSX VENTURE EXCHANGE INC.

NOTICE OF APPROVAL

(DECEMBER 17, 2025)

Introduction

TSX Venture Exchange Inc. (“**TSXV**”, the “**Exchange**” or “**we**”) has adopted, and the Alberta Securities Commission and British Columbia Securities Commission have approved, the proposed introduction of a new ultra-low latency 10 Gigabit co-location network connectivity option and certain related fee changes, as set out in the Request for Comments (as defined below) (the “**Amendments**”).

Capitalized terms used and not otherwise defined in the Notice of Approval shall have the meaning ascribed to them in the Request for Comments.

Summary of the Amendments

A copy of the Amendments can be found [here](#).

Comments Received

On September 11, 2025, TSXV published a Notice of Proposed Amendments and Request for Comments (the “**Request for Comments**”) for a 30-day period, and four comment letters were received. A summary of the comments submitted, together with the Exchange’s responses, is attached at **Appendix A**. The Exchange thanks all commenters for their feedback and suggestions.

Effective Date

The Amendments will be implemented on January 26, 2026.

APPENDIX A

SUMMARY OF COMMENTS AND RESPONSES

List of Commenters:

- Anonymous
- Benoit Dufresne (“**BD**”)
- Canadian Independent Finance and Innovation Counsel (“**CIFIC**”)
- Canadian Forum for Financial Markets (“**CFFiM**”)

	<i>Summarized Comments Received</i>	<i>The Exchange’s Response</i>
1.	<p>One commenter expressed support for the introduction of the TMX Ultra 10Gb Connectivity, describing TMX Ultra as a great product, and a significant and positive development within the Canadian equities market. The Commenter was of the view that TMX Ultra benefits the market for those who require the fastest path for market data ingestion and order entry, while taking into account that others may not have the same requirements. (Anonymous)</p>	<p>The Exchange thanks the commenter for its feedback.</p>
2.	<p>Two commenters were unsupportive of the TMX Ultra 10Gb Connectivity and were of the following views:</p> <ul style="list-style-type: none"> • The TMX Ultra 10Gb Connectivity is a more expensive and faster tier that would negatively impact market participants and fairness. (BD) • The new offering is a “significant barrier to entry” that guarantees no chance of success for lower-tier subscribers, thereby consolidating power to those already at the “top of the game”. (BD) • The new service is a “pay-to-win” system that is unfair. (BD) • There has been little indication of trader support, and latency-sensitive firms will feel compelled to adopt the new offering to remain competitive. (CIFIC) • The new offering is more likely to add costs for participants than provide meaningful improvements to market quality. (CIFIC) 	<p>The Exchange thanks the commenters for their feedback but disagrees with these characterizations of the TMX Ultra 10Gb Connectivity. Offering premium, optional services such as this is essential for the Exchange to drive innovation and ensure that Canadian capital markets remain globally competitive. The pricing of the service is designed to cover the significant investment in advanced infrastructure required to deliver ultra-low latency. The service is a voluntary one designed to meet specialized demands, not an unfair “pay-to-win” system that negatively impacts the market.</p> <p>We disagree with the view that the offering is a “significant barrier to entry” or a source of unfairness. The service is an offering catering to the most latency-sensitive strategies, not a requirement for success across the broader market. The existing standard connectivity options remain in place and are sufficient for many participants, as indicated in our pre-consultations with clients. Furthermore, participants who do not choose the new service are still able to achieve comparable or superior latency improvements by optimizing the technology architecture within their own co-</p>

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		<p>location cabinets. The decision to pursue a latency-sensitive strategy is a commercial one that already involves substantial investments in talent, research, proprietary hardware, and software. These operational costs are the primary barrier to entry in this specialized field, not the incremental cost of a connectivity upgrade. TMX Ultra 10Gb Connectivity is an optional tool designed for participants who have already made this strategic commitment. For firms already using the Current 10Gb Connectivity, the incremental monthly cost is not a determinative barrier when contextualized within the significant total operating costs of a latency-sensitive trading business.</p> <p>Our pre-consultations with a diverse array of clients indicated broad support for the initiative and confirmed that not all participants require this service for their business model, underscoring its optional nature. The Exchange believes that introducing this ultra-low latency connection is an investment in the quality of Canada's capital markets. By providing enhanced tools to liquidity providers, this service fosters deeper liquidity and tighter spreads, which are market-wide benefits that serve all investors. Designed to deepen the order book and improve price discovery for all participants, such enhancements are a core component of our mandate to operate fair, efficient, and globally competitive markets.</p>
3.	One commenter suggested that the Exchange focuses on measures that enhance fairness, accessibility, and overall market efficiency and that the Exchange should explore innovations that reduce latency gaps across participants, improve resiliency, or increase transparency. The commenter was of the view that this would better serve the long-term interests of both market participants and investors. (CIFIC)	The Exchange is continually committed to measures that enhance fairness, accessibility, and overall market efficiency, including innovations in resiliency and transparency across all our trading platforms. The proposed connectivity upgrade is one component of our broader strategy to improve trading performance and meet diverse client needs, and it does not preclude ongoing efforts to reduce latency for the wider client base.
4.	One commenter was of the view that TMX Ultra 10Gb Connectivity raises concerns regarding competition, fairness, and overall market balance, particularly for less liquid securities (Tier 2 and 3) and that this focus on speed may not benefit Canada's broader market or the liquidity needs of its less liquid	The Exchange is of the view that TMX Ultra is a necessary innovation designed to maintain the global competitiveness of Canadian markets. We believe that providing advanced tools for sophisticated liquidity providers helps attract and retain critical order flow, which fosters deeper liquidity and tighter spreads across all security tiers. We respectfully disagree that enhanced

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	securities, thus potentially harming domestic competitiveness. (CFFiM)	liquidity in top-tier securities detracts from lower-tier securities, or that TMX Ultra 10Gb Connectivity would attract liquidity disproportionately towards Tier 1 securities. We believe both assertions are unsubstantiated in this context.
5.	One commenter requested confirmation and audit of equidistant cabling and enhanced transparency, including an architectural diagram and disclosure of latency variance and hardware specifics, to provide continuous assurance of fairness. (CFFiM)	<p>The Exchange operates on a foundational principle of fair access, in compliance with our regulatory obligations under National Instrument 21-101. We affirm our commitment to ensuring practical equity in access. The TMX Ultra 10Gb connections are engineered for equalized latency profiles, utilizing uniform hardware and certified equalized cabling, which ensures equitable access for all subscribers to this service.</p> <p>The Exchange is of the view that the level of technical disclosure provided is considered sufficient for market participants to evaluate the service. Detailed information, such as proprietary network diagrams, specific third-party vendor names, or in-depth historical messaging data, is commercially sensitive and proprietary.</p>
6.	One commenter requested certain historical quantitative evidence from previous upgrades (introduction of colocation, 10GB) to assess competitive impact (e.g., spreads, market share shifts) and raised a concern regarding the diversity of the consulted client group. (CFFiM)	<p>While we acknowledge the importance of historical analysis, compiling this level of detail extends beyond the scope of this product filing.</p> <p>Our client pre-consultation was robust, engaging with a broad spectrum of business models, including participants with varying degrees of latency sensitivity, including clients who indicated the microsecond-scale benefits of TMX 10G Ultra is not meaningful to them. This informal client consultation process was supplemented by the formal 30-day public comment period, which is the prescribed regulatory mechanism for gathering comprehensive stakeholder input and is open to all affected stakeholders.</p>
7.	One commenter suggested replacing the proposed fixed-fee structure with a variable pricing model (per message or volume) to encourage smaller participants to compete profitably. (CFFiM)	The Exchange is of the view that the proposed fixed model is more appropriate and operationally consistent with an offering of this nature and that it remains the global industry standard for dedicated, physical connectivity. This model offers clients cost certainty and is designed to appropriately cover significant infrastructure investment and ongoing

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		operational costs. This optional service is primarily designed for latency-sensitive firms, for whom we believe the fixed fee is not considered a material barrier.