**FOREMOST INCOME FUND**
**FORM 51-102F3**
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

FOREMOST INCOME FUND, 1225 64th Avenue NE – Calgary, AB T2E 8P9

**Item 2. Date of Material Change**

December 15, 2020

**Item 3. News Release**

The Press Release was sent on December 15, 2020 via Newsfile.

**Item 4. Summary of Material Change**

For further information, attached hereto is the relevant excerpt of the related Press Release.

**Item 5. Full Description of Material Change**

For further information, attached hereto is the relevant excerpt of the related Press Release.

**Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Confidentiality is not requested.

**Item 7. Omitted Information**

No information has been omitted in respect of the material change.

**Item 8. Executive Officer**

Jackie Schenn – Chief Financial Officer, (403) 295-5800

**Item 9. Date of Report**

December 15, 2020

# **Foremost Income Fund Announces 2020 Cash Distribution**

It is the Fund's intention to pay a cash distribution in an amount equal to the taxable income of the Fund for the 2020 fiscal year. The cash distribution is estimated to be $0.40 per trust unit, which amount will be confirmed once the taxable income of the Fund is finally determined in February 2021. The distribution will be paid on or before March 31, 2021 to Unitholders of Record as at December 31, 2020. The Fund's distribution details are as follows:

> Estimated distribution per trust unit: $0.40 to be confirmed prior to February 28, 2021 upon final determination of the taxable income of the Fund
>
> Record date: December 31, 2020
>
> Payment date: On or before March 31, 2021

As a result of the 2020 cash distribution, the Trustees have determined that, as of January 1, 2021, the Fund will decrease the redemption price for tendered Trust Units from $6.35 to $6.00.

On behalf of the Trustees
Foremost Income Fund
*[signed: Bevan May]*
Bevan May, Trustee

*FORWARD-LOOKING STATEMENT*

*Certain statements in this news release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this news release, such statements use words such as "may", "will", "expect", "believe", "plan" and other similar terminology. These statements include statements the Fund's intention to proceed with a Unitholders' meeting and information regarding the Trustees' views of the future prospects and tax treatment of the Fund and tax treatment of the Special Redemption, the Fund's expectations regarding the future availability of cash to meet redemption requests and the Trustee's expectations for redemption prices. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this news release. These forward-looking statements involve a number of risks and uncertainties, including: the impact of general economic conditions, industry conditions, changes in laws and regulations, increased competition, fluctuations in commodity prices and foreign exchange, and interest rates and stock market volatility.*

For further Investor Relations information please contact:
**Jackie Schenn, CA**
Tel: (403) 295-5800 or toll free 1-800-661-9190 (Canada/US) - Fax: (403) 295-5832
E-mail: investorrelations@foremost.ca - Website: www.foremost.ca