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Borden Ladner Gervais

March 26, 2024

VIA SEDAR

Ontario Securities Commission
P.O. Box 55, Suite 1900
20 Queen Street West
Toronto, Ontario M5H 3S8

Dear Sirs/Mesdames:

Re: Toronto CleanTech Capital Inc.

Application for exemptive relief pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* ("NP 11-203")

I. INTRODUCTION

We are counsel to Toronto CleanTech Capital Inc. (the "**Filer**"). This application is further to our discussions with Adeline Lee of the Ontario Securities Commission (the "**OSC**").

II. PASSPORT APPLICATION

In accordance with Part 4 of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") and section 3.6 of NP 11-203, the OSC has been chosen as the principal regulator (the "**Principal Regulator**") for the purposes of this application, as the head office of the Filer is in Toronto, Ontario. This application is a passport application under section 3.2 of NP 11-203 in respect of the Exemption Sought (as defined below) in Alberta and British Columbia (the "**Other Jurisdictions**" and with Ontario, the "**Jurisdictions**"). Notice to the Other Jurisdictions that this application is a passport application is provided by giving notice to the Principal Regulator pursuant to subsection 4.7(1) of MI 11-102.

III. EXEMPTION SOUGHT

On behalf of the Filer, we are seeking an exemption from the requirement in section 3.3(1)(a)(i) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* ("**NI 52-107**") that financial statements required to be audited must be accompanied by an auditor's report that expresses an unmodified opinion, such that this requirement does not apply to the auditor's report that accompanies the audited financial statements of Turkey Hill (as defined below), to be filed by the Filer in connection with its Qualifying Transaction (as defined below) (the "**Exemption Sought**").

IV. REQUEST TO EXPEDITE RELIEF

The Filer intends to file a Filing Statement on or before April 15, 2024 in order to prevent certain financial statements from stale-dating. Accordingly, the Filer kindly requests expedited review of this application, so that the exemption sought is granted before the Filing Statement is required to be filed.

V. FACTS

1. The Filer is a corporation existing under the laws of the Province of British Columbia and a "Capital Pool Company" pursuant to Policy 2.4 - *Capital Pool Companies* ("**Policy 2.4**") of the TSX Venture Exchange (the "**TSXV**"). The Filer was formed for the purpose of effecting a "Qualifying Transaction" pursuant to Policy 2.4.

2. On July 2, 2021, the Filer completed its initial public offering of common shares pursuant to a final long-form prospectus dated June 3, 2021.

3. The Filer's common shares are listed and posted for trading on the TSXV under the symbol "YAY.P".

4. On September 8, 2023, the Filer entered into a business combination agreement with THS L.P. ("**THS LP**"), THS Genpar Inc. ("**THS GP**"), limited partners of THS LP (the "**Limited Partners**"), and the shareholders of THS GP (the "**GP Shareholders**" and together with the Limited Partners, the "**THS Securityholders**") pursuant to which THS LP would be indirectly acquired by the Filer, which transaction would constitute the Filer's Qualifying Transaction.

5. THS LP is a limited partnership formed under the laws of the Province of Ontario. THS GP a corporation incorporated under the laws of the Province of Ontario and is the general partner of THS LP.

6. The operating subsidiary of THS LP was incorporated under the *Business Corporations Act* (Ontario) and Turkey Hill Sugarbush Limited ("**Turkey Hill**") was incorporated under the *Canada Business Corporations Act*. Turkey Hill is a wholly-owned subsidiary of THS LP and is a leader in the maple syrup industry supplying high quality pure maple syrup and maple syrup related products since 1976.

7. Neither THS LP, THS GP, nor Turkey Hill is a reporting issuer in any jurisdiction nor is any class of its securities listed on a stock exchange.

8. Neither the Filer, THS LP, THS GP nor Turkey Hill are in default of securities legislation in any jurisdiction of Canada.

9. Pursuant to Policy 2.4, the Filer is required to file a Filing Statement on TSXV Form 3B2 (the "**Filing Statement**") providing disclosure on the business or businesses being acquired pursuant to the Qualifying Transaction and the business of the resulting issuer from the Qualifying Transaction.

10. In accordance with Item 45 of the Filing Statement, the Filing Statement must include financial statement disclosure concerning Turkey Hill in accordance with National Instrument 41-101 - *General Prospectus Requirements* ("**NI 41-101**"), which includes two years of audited financial statements as well as comparative interim financial statements for the most recently completed interim period and MD&A related thereto (similar to what is required for an IPO venture issuer).

11. In accordance with the Filing Statement and section 3.3(1)(a)(i) of NI 52-107, the financial statements included in the Filing Statement that are required to be audited must be accompanied by an auditor's report that expresses an unmodified opinion.

12. As Turkey Hill was not previously audited prior to entering into the proposed Qualifying Transaction, the auditors of Turkey Hill (the "**Auditors**") are unable to express an unmodified audit opinion specific to inventory balances for the year ended November 30, 2022 (and the year beginning December 1, 2021) as they were not physically present as of that date to complete an inventory count. As a result, the Auditor's report for Turkey Hill's audited financial statements for the year ended November 30, 2022 (the "**Turkey Hill FS**") contains a modified opinion (scope limitation) relating to the physical verification of inventory to the physical verification of inventory (the "**Inventory Qualification**"). The only modification in the Auditor's report is the Inventory Qualification. Subsequently, the Auditor was on-site to perform a physical inventory count for the years-ended November 30, 2023 and November 30, 2023, as well as completed a physical inventory count on June 30, 2023.

VI. REQUESTED RELIEF AND DECISION SOUGHT

13. Subsection 5.8(2) of Companion Policy 41-101CP to NI 41-101 contemplates that relief may be granted to non-reporting issuers in appropriate circumstances to permit the auditor's report on financial statements to contain a modified opinion relating to opening inventory if there is a subsequent audited period of at least six months on which the auditor's report expresses an unmodified opinion and the business is not seasonal.

14. The Filer hereby requests the Exemption Sought.

15. Similar relief was granted (the "**Precedent Decisions**"):

    (a) on July 10, 2019 to iAnthus Capital Holdings, Inc.;

    (b) on December 6, 2019 to TerrAscend Corp.;

    (c) on October 8, 2021 to The Limestone Boat Company Limited (OSC File #: 2021/0437);

    (d) on November 11, 2021 to Partner Jet Corp. (OSC File #: 2021/0594); and

    (e) on June 28, 2022 to Magen Ventures I Inc. (OSC File #: 2022/0255).

For the reasons provided above, the Filer respectfully submits that it would not be prejudicial to the public interest to grant the Exemption Sought.

VII. CONCLUSION

In support of this application please find:

(a) draft copy of the decision document, appended hereto as Schedule "A";

(b) verification statement from the Filer, appended hereto as Schedule "B";

(c) copies of each of the Precedent Decisions, appended hereto as Schedule "C";

(d) the applicable filing fees.

Please do not hesitate to contact us directly should you have any questions regarding this application. Please advise us if there is any other information that you require with respect to this application.

Yours truly,

BORDEN LADNER GERVAIS LLP

(signed) "Borden Ladner Gervais LLP"

Encls.