

MATERIAL CHANGE REPORT

FORM 51-102F3

Section 7.1 of National Instrument 51-102

Item 1 — Name and Address of Company

Frontenac Mortgage Investment Corporation (the “Company”)
788 Island Park Drive
Ottawa, Ontario K1Y 0C2

Item 2 — Date of Material Changes

March 31, 2026

Item 3 — News Releases

The news release was disseminated by the Company on March 26, 2026 through Cision (Newswire), a copy of which has been filed under the Company’s profile on SEDAR+ at www.sedarplus.ca.

Item 4 — Summary of Material Changes

Shareholder Return of Capital Payment

Frontenac Mortgage Investment Corporation (“FMIC” or the “Company”) is pleased to announce that it has approved a reduction of the stated capital of its common shares (the “Common Shares”) and pro rata distribution as a return of capital to shareholders in the aggregate amount of \$7,000,000, representing \$2.21 per Common Share. The return of capital will be paid on March 31, 2026 to shareholders of record as of March 30, 2026.

Delay in Filing of 2025 Annual Financial Statements

The Company announces that it anticipates it will not file its annual financial statements for the year ended December 31, 2025, the related management’s discussion and analysis (“MD&A”) and the management certifications of annual filings before the April 30, 2026 deadline.

Item 5 — Full Description of Material Changes

Shareholder Return of Capital Payment

Frontenac Mortgage Investment Corporation (“FMIC” or the “Company”) is pleased to announce that it has approved a reduction of the stated capital of its common shares (the “Common Shares”) and pro rata distribution as a return of capital to shareholders in the aggregate amount of \$7,000,000, representing \$2.21 per Common Share. The return of capital will be paid on March 31, 2026 to shareholders of record as of March 30, 2026.

The return of capital was approved by the board of directors of the Company on March 20, 2026, as authorized by a special resolution authorizing a reduction of the stated capital of the Common Shares in respect of return of capital distributions, passed at the special meeting of shareholders held on December 8, 2025. For further information, see the management information circular of the Company dated October 29, 2025.

Delay in Filing of 2025 Annual Financial Statements

The Company announces that it anticipates it will not file its annual financial statements for the year ended December 31, 2025, the related management’s discussion and analysis (“MD&A”) and the management certifications of annual filings before the April 30, 2026 deadline.

The Company continues to experience a delay in completing its audit of the Company’s annual financial

statements for the year ended December 31, 2024. The Company has been advised by its external auditor, MNP LLP, that additional time is required to complete the 2024 audit. The Company continues to work diligently with MNP LLP to complete the outstanding 2024 audit and complete the audit of the Company's annual financial statements for the year ended December 31, 2025, as soon as practicable.

The Company is currently subject to a failure-to-file cease trade order (the "FFCTO") issued under Multilateral Instrument 11-103 – *Failure-to-File Cease Trade Orders in Multiple Jurisdictions*, effective July 3, 2025, as a result of its failure to file its annual financial statements for the year ended December 31, 2024 and related continuous disclosure documents. The FFCTO prohibits all trading in the Company's securities for so long as it remains in effect. The FFCTO will remain in effect until such time as the Company files all outstanding annual and interim financial statements and related MD&A, together with the applicable CEO and CFO certifications, and the Ontario Securities Commission revokes the FFCTO.

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

Not applicable.

Item 7 — Omitted Information

Not applicable.

Item 8 — Executive Officer

The following executive officer of the Company is knowledgeable about the material changes and this report: Amber Kehoe, Corporate Secretary, may be reached at amberkehoe@advancedgroup.ca or 1-877-279-3061.

Item 9 — Date of Report

April 8, 2026.