



VOTE FOR



The Arrangement involving Crossroads-DMD Mortgage Investment Corporation ("Crossroads"), Durum Opportunities Fund ("DOF" or "Durum") and the shareholders of Crossroads.

Dear Shareholders,

You are cordially invited to attend the special meeting of the holders of Class A voting common shares and the Class B preferred shares in the capital of Crossroads-DMD Mortgage Investment Corporation, to be held on Wednesday, April 6, 2022 at 10:00 a.m. (Calgary Time) at the office of Burnet, Duckworth & Palmer LLP at Suite 2400, 525- 8th Avenue SW, Calgary, Alberta. We strongly encourage you to vote in advance of the meeting using the proxy provided to you with these materials.

THE ARRANGEMENT

Crossroads, DOF and Durum Capital Inc., the administrator and manager of DOF, entered into an arrangement agreement dated January 28, 2022 (as the same may be supplemented, modified or amended) which was unanimously approved by the board of directors of Crossroads (subject to the abstention of Steve Allan in accordance with applicable laws). Pursuant to the Arrangement Agreement and the accompanying Plan of Arrangement, DOF will acquire all of the issued and outstanding Crossroads Shares if approved by not less than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the votes cast by the Crossroads Shareholders (voting as a single class) at the Crossroads Meeting and all of the other conditions to closing are satisfied or waived.

THE CONSIDERATION

Pursuant to the Arrangement:

- (i) holders of Class A Shares will exchange their shares for a cash payment of \$1.00 per share;
- (ii) holders of Class B Shares may elect to receive, subject to pro-rationing and adjustment, the following:
 - a) a cash amount equal to \$0.56 per Class B Share, up to a maximum aggregate payment of \$10 million (and to the extent more than \$10 million of cash is elected, up to 4 million preferred units of DOF); or
 - b) Class A units of DOF ("DOF Units") and warrants to purchase DOF Units ("DOF Warrants") at an exercise price of \$17.09 exercisable for a period of 18 months following the completion of the Arrangement, on the basis of 0.033333 of a DOF Unit and 0.033333 of a DOF Warrant for each Class B Share

STRATEGIC RATIONALE AND TRANSACTION HIGHLIGHTS

- ✓ **Arm's Length Negotiation:** The consideration and other terms in the Arrangement Agreement are the result of a comprehensive arm's length negotiation between a special committee (the "**Special Committee**") of the Crossroads board of directors and Durum.
- ✓ **Liquidity:** Class B Shareholders who elect cash consideration, up to the aggregate maximum of \$10 million, are provided with certainty of value in the form of cash and, if applicable, in the event a Class B Shareholder receives preferred units of DOF, the ability to receive a redeemable security that, pursuant and subject to its terms, is redeemable for cash at the deemed transaction value per Class B Share, providing a manner of additional cash liquidity
- ✓ **Supporting Fairness Opinion:** The board of directors of Crossroads has received an opinion from PricewaterhouseCoopers LLP dated January 28, 2022 to the effect that (subject to the assumptions and limitation set forth in such opinion) the consideration to be received by Crossroads shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Crossroads shareholders.
- ✓ **Alternatives:** The Special Committee's assessment that the Arrangement presents a better option for shareholders compared to other alternatives reasonably available to Crossroads, including the status quo or a wind up of operations which may be combined with one or more distributions.

For further details on the consideration and other matters, we encourage you to consult the enclosed Management Information Circular and Proxy Statement.



CROSSROADS DMD MORTGAGE INVESTMENT CORPORATION

Your VOTE is Important

Whether or not you expect to attend the Meeting, please submit your vote as soon as possible. Please take the time to vote today by using the proxy provided to you with these materials. **Regardless of how many shares you own, your vote is important.**

Questions or Require Voting Assistance?

If you have any questions or require assistance with voting, please contact our proxy solicitation agent:



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