

CSE COMPOSITE INDEX™

Overview

The CSE Composite Index™ is a broad indicator of market activity for the **Canadian Securities Exchange (CSE)**. With approximately 75% coverage of all equities listed on the CSE it is a uniquely positioned gauge of the Canadian small cap market. The index provides a distinctly different risk/return profile than the broad Canadian equity market.

Index Methodology

The CSE Composite Index follows a set of rules which are published on the CSE website. The index is administered by Solactive AG as the calculation agent. Solactive calculates indices for 160 clients in Europe, America and Asia.

The index policies and procedures are maintained by an Index Committee. The committee, in its sole discretion determines how policies and procedures are interpreted and over time may update the policies and procedures of the index if deemed necessary.

Index Maintenance

The index will be rebalanced quarterly in March, June, September and December. The rebalancing occurs at the close on the third Friday of the quarterly month. At this time shares will be updated and the index will be reconstituted based on eligibility criteria.

Ticker

The index is published by Reuters and Bloomberg under the ticker name **CSECOMP**

Criteria for Index Additions

Listing - Companies must be listed on the CSE.

Size - Only securities with a minimum market capitalization of \$5 million are eligible for inclusion.

Seasoning Requirement - A security is ineligible for the first rebalance of the index after its listing. However, a security is exempt from this minimum listing period if either of the following apply:

- The security was listed on a recognized exchange in Canada immediately prior to its listing on the CSE, or
- At the rebalance, when ranked by total market capitalization, the security falls within the top quartile of eligible securities listed on the CSE.

Criteria for Index Deletions

Buffer rule - At each quarterly rebalance, current constituents are assessed to ensure they have a minimum market capitalization of \$4 million.

Companies involved in corporate actions which result in them no longer qualifying for the index are removed once the transaction is closed.

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Portfolio Characteristics As of Mar 20, 2015

No. of companies	65
Market capitalization (C\$ mil)	1,631.130

Company size (C\$ mil)

Average	25.09
Largest	204.46
Median	11.85

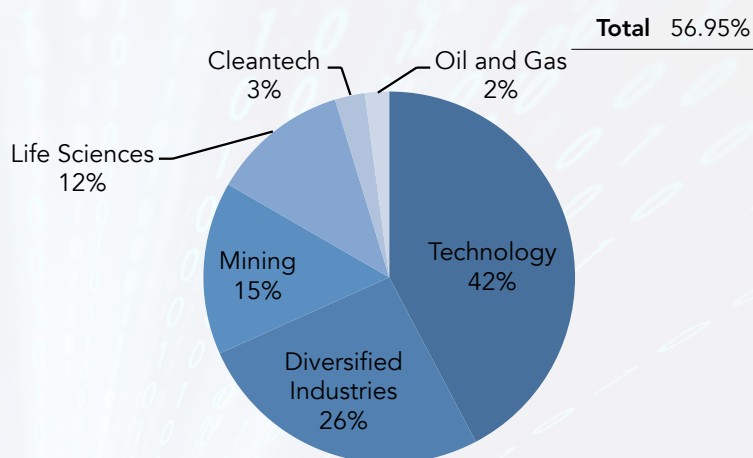
% Weight of Top 10 Holdings:	59.95%
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Sector Weight As of Mar 20, 2015

Sector	Weight
Technology	42.30%
Diversified Industries	26.02%
Mining	15.05%
Life Sciences	11.96%
Cleantech	2.61%
Oil and Gas	2.11%

Top 10 Holdings As of Mar 20, 2015

Symbol	Name	Weight
HSM	Helius Medical Technologies Inc.	12.53%
BIF.UN	Brookfield New Horizons Income Fund	9.04%
MRM	Micromem Technologies Inc.	7.75%
RSS	RESAAS Services Inc.	7.70%
URB.A	Urbana Corporation A NV	6.87%
WUC	Western Uranium Corp.	3.14%
NVO	Novo Resources Inc.	2.92%
KRI	Khan Resources Inc.	2.54%
ACB	Aurora Cannabis Inc.	2.42%
EA	EA Educational Group Inc.	2.05%



Returns - CSE Composite Index As of February 24, 2015

1 month	3 month	6 month	1 year	Since inception*
0.90%	-4.65%	-14.13%	-33.13%	-25.61%

*Inception date of the index history is 3/15/2013

CSE Composite Index History



*The chart portrays the index using historical data from March 15, 2013 through January 30, 2015 and is provided for reference purposes only. The official index was launched on February 27, 2015 and has been rebased at 1000 as of the market close on February 25, 2015.