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Dear Sirs / Mesdames,

As the current or past chair/director of a number of Canada's leading public companies, I often find myself wondering are the capital markets in Canada today as fair, transparent and efficient as we need them to be? More often than not, my conclusion is no, they are not. And that is a frightening thought for all investors and capital-raising organizations.

By now we all know the arguments around high-speed and high-frequency trading (HFT). We know that HFT firms buy and sell ahead of others, and sell or buy back milliseconds later at absolutely no risk and for great profit. When a traditional trader does this, he is illegally front-running the market. When a speed-enabled trader does this, he is not only enabled by the current regulations governing our trading practices and supported by incumbent exchanges, but applauded for providing liquidity. Fake liquidity. How does this help in fostering a fair and efficient market for investors and issuers?

We have heard the woes of dealers and investors impacted by predatory HFT. But do we understand the impact HFT is having on our publicly-listed companies? As the current Chairman of Rubicon Minerals and Director of First Service Corporation, and in my academic position as the Conway Chair *of the Clarkson Centre for Business Ethics and Board Effectiveness* at the University of Toronto, I have witnessed the evolution of a publicly traded listings move from a credible vehicle from which an enterprise could raise capital to merely an exchange mnemonic. To the dominant traders in today's markets - HFT firms - public companies have simply become a commodity, traded not for their fundamentals, but for how they fit in an algorithm executed almost at the speed of light.

Since the onset of high frequency trading and the erosion of true market makers, liquidity in public companies has been concentrating in an ever smaller group of large-cap stocks. As a consequence of increasing costs, caused by HFT-driven market dynamics, dealers have been downsizing their sales support and research capability vital to the success of small and mid-sized corporations. This does not facilitate building new and strong companies. As existing exchanges and alternative marketplaces greedily focus on catering to the needs of high frequency traders, because volume equals money, they are doing just the opposite for issuers. Instead of meeting the issuers' needs, they have stripped them from the benefits of being publicly listed - true liquidity - and left them with no longer justifiable regulatory, financial and management burdens. It is no surprise that companies are shying away from public listings and seeking private or international alternatives. This does nothing to accelerate the growth of the Canadian economy.

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Today I believe the capital markets in Canada stand at a crossroads – one path leads to a strategy that prioritizes faster trading to the benefit of a select few HFT firms, as once again demonstrated by the recent announcement of building a microwave network linking Toronto to US marketplaces. I believe this path will further enable the transfer of wealth away from companies and average Canadian investors to a small, select group of speed-enabled firms. That capital will not be available to help companies grow, to create jobs or to contribute to the macro economy.

This path is not the answer. What we need is an exchange that represents the investor and issuer and introduces meaningful competition. A path that leads us back to the basics and re-focuses on the core purpose of exchanges: bringing together buyers and sellers in a transparent and fair manner, enabling the efficient raising of capital. A place where investors – big and small – will feel comfortable participating and where companies will go to find true value in public listing. A user-driven exchange that gives voice to all market participants, not just a small sub-set. I believe it is this path that Aequitas Innovations is proposing with its Neo Exchange.

In order for Aequitas to achieve its mission and move the Canadian capital markets in the right direction, it must be enabled with the tools to do the following:

1. Always remain focused on the needs of issuers and investors

Aequitas should be equipped with the governance tools that allow for broad representation of all market users to ensure fair play, guided by overarching values and principles. Small shareholders should be exempt from extensive requirements that will make their involvement burdensome and unnecessarily complicated.

2. Clean up the trading eco-system for all market participants

Aequitas should be allowed to offer long-term investors the ability to counter predatory HFT strategies in their Lit Book and Neo Book. By diminishing the impact of predatory trading tactics, investors will be offered a trading environment they feel comfortable participating in and issuers will see more accurate price discovery for their securities.

3. Provide a trading safety net to all publicly traded companies in Canada

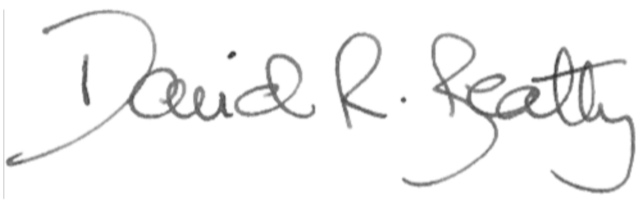
Real market makers are vital to the investor and issuer at all times and for all securities – big or small. They have all but disappeared since the onset of high frequency trading, crowded out by HFTs who assume no risk. Aequitas has found a way to re-vitalize the traditional market makers' business with an appropriate and acceptable balance of risks and benefits.

4. Re-ignite the capital formation process

Companies choose to go public as a mechanism to raise needed capital. The benefits of access to a broad base of investors – both retail and institutional – are supposed to outweigh the financial risks and management / regulatory burdens of a public listing. This is no longer the case. Aequitas can introduce much needed competition and innovation to capital raising, tailored to the individual needs of different issuers. Something different is needed, certainly not just standardization to what exists today.

Through Aequitas, I believe there is momentum down the right path for Canada's capital markets. A path toward a fair, honest and transparent marketplace for investors and issuers. I stand behind it as an active and independent Ambassador on their behalf. It's time to see it through. Our markets, our investors and our corporations are in dire need of a wind of change.

Yours Sincerely,



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