FOUNDERS ADVANTAGE RELEASES Q1 2018 RESULTS

Calgary, Alberta – May 22, 2018 – Founders Advantage Capital Corp. (TSXV: FCF) ("FAC" or the "Corporation") is pleased to report its financial results for the three months ended March 31, 2018 ("Q1 2018"). For complete information, readers should refer to the full Q1 2018 Report or to the consolidated financial statements and management discussion and analysis ("MD&A"), which are available on SEDAR at www.sedar.com and the Corporation's website at www.advantagecapital.ca. All amounts are presented in Canadian dollars unless otherwise stated.

Stephen Reid, President and CEO, commented, "We are pleased to report that the Franchise segment's adjusted EBITDA has increased 69% compared to last year. The segment, which includes DLC, is off to a strong start in 2018, positioning us well for the balance of the year."

Selected Consolidated Financial Highlights:

	Three months ended	
(in thousands except per share amounts)	March 31, 2018	March 31, 2017
Revenues	**$ 30,141**	$ 13,694
Income (loss) from operations	**1,442**	(1,790)
Adjusted EBITDA (1)	**6,244**	1,957
Adjusted EBITDA attributable to: (1)		
Shareholders	**3,085**	705
Non-controlling interests	**3,159**	1,252
Adjusted EBITDA margin (1)	**21%**	14%
Proportionate share of adjusted EBITDA (1)	**3,933**	2,171
Free cash flow (1)	**(271)**	180
Net loss for the period	**(2,039)**	(1,660)
Net income (loss) attributable to:		
Shareholders	**(2,291)**	(1,630)
Non-controlling interests	**252**	(30)
Adjusted net income (loss) (1)	**71**	(1,247)
Adjusted net income (loss) attributable to: (1)		
Shareholders	**(779)**	(1,249)
Non-controlling interests	**850**	2
Diluted loss per share	**$ (0.06)**	$ (0.04)
Adjusted loss per share (1)	**(0.02)**	(0.03)
Dividend declared per share	**0.0125**	0.0125

(1) We use non-GAAP measures to assess our overall performance. Please see the "Non-IFRS Measures" section of the MD&A for additional information on these measures.

Selected Segmented Financial Highlights:

(in thousands of dollars)	Three months ended March 31, 2018		Three months ended March 31, 2017	
Adjusted EBITDA (1)				
Franchise	**$**	**3,534**	$	2,089
Consumer Products and Services		**760**		1,116
Business Products and Services		**2,798**		218
Corporate and consolidated		**(848)**		(1,466)
Total adjusted EBITDA (1)	**$**	**6,244**	$	1,957
Proportionate share of adjusted EBITDA (1)				
Franchise	**$**	**2,115**	$	1,388
Consumer Products and Services		**456**		670
Business Products and Services		**1,362**		113
Total Proportionate share of adjusted EBITDA (1)	**$**	**3,933**	$	2,171

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Q1 2018 Operational Highlights

Operational highlights include:

- Successfully navigating the new B20 mortgage guidelines;
- Investing for growth in the fitness industry; and
- Integration of new acquisitions.

Navigating the new mortgage guidelines in Canada was front and centre this quarter for our portfolio company, Dominion Lending Centres Group ("DLC"). DLC is well positioned to help more Canadian consumers obtain a mortgage and has invested in broker recruiting and retention, as well as targeted marketing campaigns. The result of DLC' efforts is higher year over year mortgage volumes (increasing from funded volumes of $6.8 billion in Q1 2017 to $7.0 billion in Q1, 2018) and increasing market share in most markets (increasing from 34.7% in Q1, 2017 to 35.7% in Q1, 2018).

Investments in support resources and expansion initiated in 2017 at Club16 Trevor Linden Fitness ("Club16") are expected to well-position Club16 for future periods. Membership numbers have increased from 80,296 in Q1, 2017 to 82,811 in Q1, 2018; a 3% increase period over period.

Our newest acquisitions have provided positive incremental value to the portfolio. Newton Connectivity Systems Inc. ("NCS") underwent large scale integration and restructuring in 2017 and is now set up for short- and long-term growth. Impact Radio Accessories ("Impact") has initiated many revenue growth initiatives and Astley Gilbert Limited ("AG") is realizing value from their October 2017 acquisition expansion.

Q1 2018 Financial Highlights

Previously, FAC issued 2018 guidance for our expected proportionate share of annual adjusted EBITDA from our four investees of approximately $21.5 million to $22.5 million for the year ended December 31, 2018. This outlook is reaffirmed. Our results generally vary from quarter to quarter because of seasonal fluctuations in our business segments. Q1 tends to be a lower quarter for all businesses with increased revenues historically coming in Q2 and Q3. The explanations below reflect the changes from Q1, 2017 to Q1, 2018.

Revenues for Q1 2018 increased $16.4 million primarily as a result of the acquisitions completed in 2017, although $0.1 million of this increase was related to higher funded mortgage volumes in the Franchise segment and $0.4 million is related to higher member numbers in the Consumer Products and Services segment. The acquisitions also drove majority of the increase in income from operations, with $2.3 million of the $3.2 million increase coming from the acquisitions.

Adjusted EBITDA increased by $4.3 million from $2.0 million in Q1 2017 to $6.2 million in Q1 2018. The quarter over quarter increase was the result of higher mortgage funded volumes, new acquisition earnings, and lower costs in both the Franchise segment and corporate head office.

Please see the Corporation's MD&A and financial statements for additional information relating to the financial results.

Overview of Financial Results for Segments

We currently operate a corporate head office and three business segments – Business Products and Services, Consumer Products and Services and Franchise. Please see the Corporation's MD&A for a comprehensive discussion relating to the financial results for the segments.

Non-IFRS Measures

Management presents certain non-IFRS financial measures which we use as supplemental indicators of our operating performance. Non-IFRS financial performance measures include EBITDA and adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA attributed to shareholders and NCI, proportionate share of investee EBITDA, adjusted net income, adjusted earnings per share, and free cash flow. Readers are cautioned that these non-IFRS measures should not be construed as a substitute or an alternative to applicable generally accepted accounting principle measures as determined in accordance with IFRS. Please see the Corporation's MD&A for a description these measures and a reconciliation of these measures to their nearest IFRS measure.

About Founders Advantage Capital Corp.

The Corporation is listed on the TSX Venture Exchange as an Investment Issuer (Tier 1) and employs a permanent investment approach. The Corporation has developed an investment approach to create long-term value for its shareholders and partner entrepreneurs (investees) by pursuing controlling interest acquisitions of cash flow positive middle-market privately held entities. The Corporation seeks to win mandates by appealing to the segment of the market which is not aligned with traditional private equity control, royalty monetizations or related structures. The Corporation's innovative platform offers contractual incentives for growth in favour of our investees. This unique platform is designed to appeal to business owners who believe in the growth of their businesses and who want the added ability to continue managing the business while partnering with a long-term partner.

The Corporation's common shares are listed on the TSX Venture Exchange under the symbol "FCF".

For further information, please refer to the Corporation's website at www.advantagecapital.ca.

Contact information for the Corporation is as follows:

Amar Leekha	Melanie Litoski
Senior Vice President	Chief Financial Officer
403-455-6671	403-455-7563
aleekha@advantagecapital.ca	mlitoski@advantagecapital.ca

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Cautionary Note Regarding Forward-looking Information

Certain statements in this document constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as “anticipate,” “believe,” “estimate,” “will,” “expect,” “plan,” “intend,” or similar words suggesting future outcomes or an outlook. Forward-looking information in this document includes, but is not limited to, the 2018 outlook, Club16’s investments positioning it for growth, and the Corporation’s expectation that its collaborative approach will enhance and accelerate growth and performance.

Such forward-looking information is necessarily based on a number of estimates and assumptions, including material estimates and assumptions, related to the factors identified below that, while considered reasonable by the Corporation as at the date of this press release in light of management’s experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to, changes in taxes and capital; increased operating, general and administrative, and other costs; changes in interest rates; general business, economic and market conditions; our ability to obtain the required capital to finance our investment strategy and meet our commitments and financial obligations; our ability to source additional investee entities and to negotiate acceptable acquisition terms; our ability to obtain services and personnel in a timely manner and at an acceptable cost to carry out our activities; DLC’s ability to maintain its existing number of franchisees and add additional franchisees; changes in Canadian mortgage lending and mortgage brokerage laws; material decreases in the aggregate Canadian mortgage lending business; the timely receipt of required regulatory approvals; changes in the fees paid for mortgage brokerage services in Canada; changes in the regulatory framework for the Canadian housing sector; demand for DLC, Club16, Impact and AG’s products remaining consistent with historical demand; our ability to realize the expected benefits of the DLC, Club16, Impact and AG transactions; our ability to generate sufficient cash flow from investees and obtain financing to fund planned investment activities and meet current and future commitments and obligations; the uncertainty of estimates and projections relating to future revenue, taxes, costs and expenses; changes in, or in the interpretation of, laws, regulations or policies; the outcome of existing and potential lawsuits, regulatory actions, audits and assessments; and other risks and uncertainties described elsewhere in this document and in our other filings with Canadian securities authorities.

Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All forward-looking statements made in this press release are qualified by these cautionary statements. The foregoing list of risks is not exhaustive. For more information relating to risks, see the Risk Factors section in our MD&A and the risk factors identified in our Annual Information Form. The forward-looking information contained in this document is made as of the date hereof and, except as required by applicable securities laws, we undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.