FOUNDERS ADVANTAGE RELEASES Q1-2020 RESULTS;
DLC REPORTS RECORD Q1 FUNDED VOLUMES AND ADJUSTED EBITDA

Calgary, Alberta – May 26, 2020 – Founders Advantage Capital Corp. (TSX-V: FCF) ("FAC" or the "Corporation") is pleased to report its financial results for the three months ended March 31, 2020 ("Q1-2020"). For complete information, readers should refer to the consolidated financial statements and management discussion and analysis which are available on SEDAR at www.sedar.com and on the Corporation's website at www.advantagecapital.ca. All amounts are presented in Canadian dollars unless otherwise stated.

Our subsidiaries are referred to herein as Dominion Lending Centres Limited Partnership ("DLC"), Club16 Limited Partnership operating as Club16 Trevor Linden Fitness ("Club16"), and Cape Communications International Inc. operating as Impact Radio Accessories ("Impact"). On September 30, 2019, FAC sold its 50% interest in Astley Gilbert Limited ("AG"). As a result of the AG sale, our results for the current and comparative period, are presented with the financial results of AG segregated in the statement of income as discontinued operations.

Quarter Highlights

- DLC maintained its strong momentum from 2019 as they achieved record Q1 funded volumes of ~$8.4 billion and record Q1 EBITDA of $4.5 million, representing a 30% and 77% increase respectively, as compared to Q1-2019;
- The Corporation generated revenues of $18.1 million for Q1-2020, representing a 12.3% decrease compared to Q1-2019, with such decrease primarily a result of the COVID-19 pandemic and a large order fulfilled by Impact in Q1-2019;
- Although DLC achieved record Q1 EBITDA of $4.5 million, Consolidated Adjusted EBITDA reduced by 9.6% to $5.8 million for Q1-2020 compared to Q1-2019, with both Club16 and Impact being effected by the COVID-19 pandemic;
- DLC principals Gary Mauris and Chris Kayat acquired an additional 5,305,529 common shares of the Corporation at $1.75 per share, to increase their aggregate shareholdings in the Corporation to 33.3%;
- Belkorp Industries Inc., a Vancouver based investment firm, acquired 7,500,000 common shares of the Corporation (representing 19.7% of the outstanding shares) at $1.75 per share;
- The Corporation unwound its US$15.0 million foreign exchange forward contract at a forward rate of $1.442 for cash proceeds of CAD$1.5 million to improve liquidity; and
- Subsequent to the quarter end, the Corporation entered into new foreign exchange forward contracts totalling US$15.0 million with a blended forward rate of $1.398.

James Bell, President and CEO, commented, "We are pleased to report our Q1-2020 financial and operating results. DLC maintained its strong momentum from 2019 as they achieved record Q1 funded volumes. In the event that DLC does incur some headwinds from COVID-19 in Q2, we feel DLC is on solid footing given its excellent financial performance over the last six months. Further, we are encouraged by the anticipated re-opening of the Club16 fitness locations in early June and with Impact re-opening its offices and resuming normal operations in mid-May. The COVID-19 pandemic presents uncertainty and many challenges but we are quite pleased with the resilience of our investees in the face of the current adversity."

Selected Consolidated Financial Highlights:

Below are the financial highlights of our results for the three months ended March 31, 2020. The results for the three months ended March 31, 2019 reflect the segregation of AG as discontinued operations. The discontinued operations are only included in net loss and net loss per common share.

	Three months ended	
(in thousands except per share amounts)	**Mar. 31, 2020**	Mar. 31, 2019
Revenues	**18,073**	20,600
Income from operations	**2,424**	1,887
Adjusted EBITDA (1)	**5,763**	6,373
Adjusted EBITDA attributable to: (1)		
Shareholders	**3,225**	3,435
Non-controlling interests	**2,538**	2,938
Adjusted EBITDA margin (1)	**32%**	31%
Proportionate share of investee Adjusted EBITDA (1)	**3,718**	4,088
Free cash flow (1)	**(57)**	(322)
Net loss	**(1,716)**	(895)
Net loss from continuing operations	**(1,716)**	(386)
Net loss from discontinued operations	**-**	(509)
Net (loss) income attributable to:		
Shareholders	**(2,199)**	(1,472)
Non-controlling interests	**483**	577
Adjusted net loss (1)	**(319)**	(680)
Adjusted net (loss) income attributable to: (1)		
Shareholders	**(792)**	(1,568)
Non-controlling interests	**473**	888
Diluted loss per share	**(0.06)**	(0.04)
Adjusted loss per share (1)	**(0.02)**	(0.04)

(1) Please see the Non-IFRS Financial Performance Measures section of this document for additional information.

Q1-2020 Results

Adjusted EBITDA decreased $0.6 million or 10% compared to the three months ended March 31, 2019. The DLC segment's Adjusted EBITDA increased $2.0 million due to higher DLC revenue from increased funded mortgage volumes, and Corporate Adjusted EBITDA increased $0.2 million from lower expenses. Impact decreased $2.1 million compared to the three months ended March 31, 2019 primarily due to lower revenues, and Club16's Adjusted EBITDA decreased $0.7 million from decreases in membership revenues from the temporary closure of clubs effective March 17, 2020, in response to the COVID-19 pandemic.

Adjusted net loss for the three months ended March 31, 2020 decreased $0.4 million compared to the same period in the previous year due to increased income from operations.

Selected Segmented Financial Highlights:
We discuss the results of the corporate head office and three reportable segments as presented in our December 31, 2019 annual financial statements: DLC, Club16, and Impact. Prior to December 31, 2019, the three reportable segments were referred to as: Franchise, Consumer Products and Services and Business Products and Services, respectively.

(in thousands)	Three months ended Mar. 31, 2020	Mar. 31, 2019
Adjusted EBITDA [1]		
DLC	**$ 4,540**	$ 2,566
Club16	**1,393**	2,072
Impact	**323**	2,388
Corporate and consolidated	**(493)**	(653)
Total Adjusted EBITDA [1]	**5,763**	6,373
Proportionate share of investee Adjusted EBITDA [1]		
DLC	**2,715**	1,603
Club16	**835**	1,243
Impact	**168**	1,242
Total Proportionate share of investee Adjusted EBITDA [1]	**$ 3,718**	$ 4,088

(1) Please see the Non-IFRS Financial Performance Measures section of this document for additional information.

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'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:

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Non-IFRS Financial Performance Measures

Management presents certain non-IFRS financial performance 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 Adjusted 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.

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 impact of the ongoing COVID-19 pandemic and its affect on the operations of the Corporation and its subsidiaries; and
- that the Club16 fitness locations will re-open in early June, 2020.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. Assumptions have been made with respect to the following matters, in addition to any other assumptions identified in this news release:

- the impacts of COVID-19 on the Corporation and its subsidiaries will be consistent with the Corporations expectations and the expectations of management of each of its subsidiaries both in extent and duration;
- the Canadian and U.S. economies will begin to recover from the ongoing economic downturn created by COVID-19 within the next twelve months;
- the Corporation and its subsidiaries affected by COVID-19 will recover from the pandemic's impacts and return to historical (pre-COVID-19) operating environments;
- management's ability to adjust cost structures at the Corporation and its subsidiaries to improve liquidity and cash flow; and
- the Corporations three subsidiaries will continue to perform as expected.

Such forward-looking information is necessarily based on many 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 hereof considering 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. Such factors include, but are not limited to, changes in taxes; increased operating, general and administrative, and other costs; changes in interest rates; general business, economic and market conditions; 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; 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, and Impact's products remaining consistent with historical demand; our ability to realize the expected benefits of the DLC, Club16, and Impact transactions; our ability to generate sufficient cash flow from investees to 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 identified in our 2019 Annual Report. 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 because of new information, future events or otherwise.