FOUNDERS ADVANTAGE RELEASES Q2-2020 RESULTS;
DLC REPORTS RECORD Q2 FUNDED VOLUMES AND ADJUSTED EBITDA

Calgary, Alberta – August 24th, 2020 – Founders Advantage Capital Corp. (TSX-V: FCF) ("FAC" or the "Corporation") is pleased to report its financial results for the three and six months ended June 30, 2020 ("Q2-2020"). 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 comparative period, are presented with the financial results of AG segregated in the statement of income as discontinued operations.

Quarter Highlights

- DLC continued to demonstrate its resilience during the COVID-19 pandemic by achieving record Q2 funded volumes of $10.5 billion and record Q2 EBITDA of $5.7 million, representing a 11.5% and 46.9% increase respectively, as compared to Q2-2019;
- The Corporation generated revenues of $15.0 million and EBITDA of $5.3 million for Q2-2020 compared to $23.6 million and $9.2 million during Q2-2019, respectively, with the decreases primarily resulting from the COVID-19 pandemic as Club16 temporarily closed all clubs from March 17, 2020 to May 31, 2020 and Impact experienced lower sales from the suspension of concerts and professional sporting events;
- On June 12, 2020, the Corporation announced that the Board of Directors appointed Gary Mauris, founder and CEO of DLC, as Chairman of the Board, and Ron Gratton was appointed Lead Independent Director;
- On June 29, 2020, Club16 completed a private placement of 273 Class A LP units to its founder/operating partner for proceeds of $1.0 million to fund new fitness clubs in the North Burnaby and Richmond markets in the greater Vancouver area; and
- The Corporation entered into new foreign exchange forward contracts totalling US$24 million with a blended forward rate of $1.383.

James Bell, President and CEO, commented, "We are pleased to report our Q2-2020 financial and operating results. DLC continues to outperform its industry peers as they were able to maintain their momentum from Q1 by achieving record Q2 funded volumes and EBITDA. Notwithstanding the ongoing global pandemic, DLC generated Q2-2020 funded volumes of $10.5 billion and EBITDA of $5.7 million, representing a 12% and 47% increase, respectively, as compared to Q2-2019. Club16's focus in Q2 was on safely reopening their existing locations on June 1 as well as executing on two new growth opportunities in North Burnaby and Richmond, which are expected to open in mid-September. The reopening process has been successful to date and Club16 has experienced net new member growth for its existing clubs. Further, Impact, continues to generate positive free cash flow and is focused on penetrating new markets. Overall, we are very pleased with how well our investee partners are performing."

Selected Consolidated Financial Highlights:
Below are the financial highlights of our results for the three and six months ended June 30, 2020. The results for the three and six months ended June 30, 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		Six months ended	
(in thousands except per share amounts)	**Jun 30, 2020**	Jun 30, 2019	**Jun 30, 2020**	Jun 30, 2019
Revenues	**$ 15,014**	$ 23,579	**$ 33,087**	$ 44,179
Income from operations	**667**	5,206	**3,091**	7,093
Adjusted EBITDA (1)	**5,308**	9,182	**11,071**	15,555
Adjusted EBITDA attributable to: (1)				
Shareholders	**2,833**	5,162	**6,058**	8,597
Non-controlling interests	**2,475**	4,020	**5,013**	6,958
Adjusted EBITDA margin (1)	**35%**	39%	**33%**	35%
Proportionate share of investee adjusted EBITDA (1)	**3,414**	5,619	**7,132**	9,707
Free cash flow (1)	**335**	1,390	**278**	1,068
Net loss	**(413)**	(3,499)	**(2,129)**	(4,394)
Net (loss) income from continuing operations	**(413)**	2,788	**(2,129)**	2,402
Net loss from discontinued operations	**-**	(6,287)	**-**	(6,796)
Net (loss) income attributable to:				
Shareholders	**(697)**	(2,288)	**(2,896)**	(3,760)
Non-controlling interests	**284**	(1,211)	**767**	(634)
Adjusted net (loss) income (1)	**(1,547)**	2,100	**(1,866)**	1,420
Adjusted net (loss) income attributable to: (1)				
Shareholders	**(1,836)**	104	**(2,628)**	(1,464)
Non-controlling interests	**289**	1,996	**762**	2,884
Diluted loss per share	**(0.02)**	(0.06)	**(0.08)**	(0.10)
Adjusted loss per share (1)	**(0.05)**	-	**(0.07)**	(0.04)

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

Q2-2020 Results
Adjusted EBITDA decreased $3.9 million compared to the three months ended June 30, 2019. The decrease is primarily due to decreases in Club16, Impact and Corporate partly offset by an increase in DLC's adjusted EBITDA. Club16's adjusted EBITDA decreased $4.8 million from decreases in membership and personal training revenues from the temporary closure of clubs from March 17, 2020 to May 31, 2020 in response to the COVID-19 pandemic. Adjusted EBITDA from Impact decreased $0.8 million compared to the three months ended June 30, 2019, primarily due to lower revenues related to the suspension of concerts and professional sporting events due to COVID-19. Corporate adjusted EBITDA decreased $0.1 million due to higher other expenses of $0.2 million from transaction costs associated with the Corporation's new foreign exchange forward contracts, partly offset by lower general and administrative costs net of restructuring expenses of $0.1 million. DLC's adjusted EBITDA increased $1.8 million from higher revenue attributable to increased funded mortgage volumes and decreased advertising expenses.

Adjusted net loss for the three months ended June 30, 2020, decreased $3.6 million compared to the same period in the previous year due to decreased income from operations partly offset by $0.7 million of government wage subsidies included within other income.

Selected Segmented Financial Highlights:
We discuss the results of the corporate head office and three reportable segments as presented in our interim financial statements: DLC, Club16, and Impact.

(in thousands)	Three months ended Jun 30, 2020	Jun 30, 2019	Six months ended Jun 30, 2020	Jun 30, 2019
Adjusted EBITDA (1)				
DLC	**$ 5,725**	$ 3,896	**$ 10,265**	$ 6,462
Club16	**(309)**	4,502	**1,084**	6,574
Impact	**473**	1,241	**796**	3,629
Corporate and consolidated	**(581)**	(457)	**(1,074)**	(1,110)
Total adjusted EBITDA (1)	**5,308**	9,182	**11,071**	15,555
Proportionate share of investee adjusted EBITDA (1)				
DLC	**3,353**	2,273	**6,067**	3,876
Club16	**(185)**	2,701	**651**	3,944
Impact	**246**	645	**414**	1,887
Total Proportionate share of investee adjusted EBITDA (1)	**3,414**	5,619	**7,132**	9,707

(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:

James Bell
President & Chief Executive Officer
403-455-2218
jbell@advantagecapital.ca

Robin Burpee
Chief Financial Officer
403-455-9670
rburpee@advantagecapital.ca

Amar Leekha
Sr. Vice-President, Capital Markets
403-455-6671
aleekha@advantagecapital.ca

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 North Burnaby and Richmond Club16 fitness locations will open in mid-September, 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 Corporation's 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.