

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to the common shares (“**Common Shares**”), non-voting common shares (“**Non-Voting Shares**”) and Non-Voting Share purchase warrants (the “**Non-Voting Share Warrants**”, and, collectively with the Common Shares and Non-Voting Shares, the “**Securities**”) of CVW Sustainable Royalties Inc. (“**CVW**”).

CVW’s head office is located at:

Suite 305, 505 – 8th Avenue SW
Calgary, Alberta, Canada
T2P 1G1

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

The transaction took place by way of a private transaction (and not through the facilities of the TSX Venture Exchange (the “**TSXV**”).

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Fairfax Financial Holdings Limited (“**Fairfax**”)
95 Wellington Street West
Suite 800
Toronto, ON M5J 2N7

Fairfax was incorporated under the laws of Canada. Fairfax is a holding company which, through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and the associated investment management.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On April 16, 2026, Fairfax, through its subsidiaries, acquired, on a private placement basis, a combination of Common Share units (“**Fairfax Voting Units**”) and Non-Voting Share units (the “**Fairfax Non-Voting Units**”) of CVW for an aggregate purchase price of approximately C\$50 million, structured as follows:

- 54,600,712 Fairfax Voting Units at a purchase price of C\$0.78 per Fairfax Voting Unit for an aggregate purchase price of approximately C\$42,588,555. Each Fairfax Voting Unit is comprised of one Common Share and one Non-Voting Share Warrant, each Non-Voting Share Warrant exercisable to purchase one Non-Voting Share at a price of C\$0.95 per Non-Voting Share for a period of two years from the date of issuance; and
- 9,501,852 Fairfax Non-Voting Units at a purchase price of C\$0.78 per Fairfax Non-Voting Unit for an aggregate purchase price of approximately C\$7,411,445. Each Fairfax Non-Voting Unit is comprised of one Non-Voting Share and one Non-Voting Share Warrant (collectively, the “**Private Placement**”).

Collectively, Fairfax acquired 54,600,712 Common Shares, 9,501,852 Non-Voting Shares and 64,102,564 Non-Voting Share Warrants pursuant to the Private Placement.

Each Non-Voting Share is convertible into one Common Share, subject to a beneficial ownership restriction that would prevent the conversion to the extent that, after giving effect to the issuance of Common Shares after such conversion, Fairfax and its affiliates would beneficially own greater than 19.99% of the Common Shares outstanding on a non-diluted basis (the “**Beneficial Ownership Restriction**”).

The Non-Voting Share Warrants are subject to an acceleration provision which provides that, at any time after September 2, 2026, and from time to time thereafter, if the volume-weighted average price of the Common Shares on the TSXV, or such other recognized stock exchange on which the greatest volume of Common Shares are traded, exceeds C\$1.20 for 30 consecutive trading days, CVW may, within 20 days following such occurrence but without having been required to act upon the first or subsequent occurrence thereof, deliver a notice to the holders thereof accelerating the expiry date of the Non-Voting Share Warrants to a date that is 30 calendar days after the date of such notice.

A news release in connection with the foregoing was issued by CVW on April 16, 2026, and filed under CVW’s profile on SEDAR+ at www.sedarplus.ca.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

The acquisition of 54,600,712 Common Shares pursuant to the Private Placement triggered the requirement to file this report. Prior to the Private Placement, Fairfax beneficially owned or controlled nil Common Shares representing 0% of the

outstanding Common Shares. Following the Private Placement, Fairfax beneficially owns or controls 54,600,712 Common Shares representing 19.5% of the outstanding Common Shares on a non-diluted basis.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See item 2.2 above.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Immediately prior to the Private Placement, Fairfax, through certain of its subsidiaries, beneficially owned and controlled nil Common Shares, representing 0% of the outstanding Common Shares.

Following completion of the Private Placement, Fairfax now beneficially owns and controls 54,600,712 Common Shares, representing 19.5% of the outstanding Common Shares on a non-diluted basis, and 9,501,852 Non-Voting Shares and 64,102,564 Non-Voting Share Warrants, representing all of the outstanding Non-Voting Shares and Non-Voting Share Warrants, respectively. Assuming the full exercise of the Non-Voting Share Warrants and the full conversion of the Non-Voting Shares (including the Non-Voting Shares received on exercise of the Non-Voting Share Warrants), Fairfax's beneficial ownership and control of Common Shares will not exceed 19.99% of the outstanding Common Shares on a non-diluted basis due to the operation of the Beneficial Ownership Restriction.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

See item 3.4 above.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

See items 2.2 and 3.4 above.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 – Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

See item 2.2 above.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See item 2.2 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Securities acquired pursuant to the Private Placement were acquired by Fairfax for investment purposes, and, in the future, it may discuss with management and/or the board of directors of CVW any of the transactions listed in clauses (a) to (k) above and it may further purchase, hold, vote, trade, dispose or otherwise deal in CVW's securities, in such manner as it deems advisable to benefit from changes in the market prices of CVW's securities, publicly

disclosed changes in the operations of CVW, its business strategy or prospects or from a material transaction of CVW.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder’s fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

April 20, 2026
Date

(s) Derek Bulas
Signature

Derek Bulas, Vice President and Chief Legal Officer
Name/Title