



TO: Suppliers of Golf Town

DATE: September 14, 2016

Dear supplier:

I want to provide you with an update regarding recent developments with respect to Golf Town (the “**Company**”) and what it means for our relationship with you.

Since 2014, the Company, with the assistance of its advisors, has carried out a process to review strategic and operational initiatives to enhance the Company’s business and financial performance. The Company is announcing that this process has led to the development of strategic transaction that once completed will result in the going concern sale of the Golf Town Business. The transaction provides a broad overall solution for the Company for the benefit of its suppliers, customers and other key stakeholders and are supported by significant holders of the Company’s second lien Secured Notes.

Golf Town has entered into a definitive asset purchase agreement for the sale of the Golf Town business to an entity to be controlled by a purchaser group led by Fairfax Financial Holdings Limited (“**Fairfax**”) and certain funds managed by CI Investments Inc. (“**CI**”). Fairfax and CI are leading Canadian institutional investors with extensive resources and experience to support and grow the Golf Town business moving forward.

To ensure the stability of the business pending the completion of the transaction, the Company has determined that it is in the best interests of the Company and its stakeholders to implement the transaction through court-supervised restructuring proceedings. Golf Town has obtained creditor protection under the Companies’ Creditors Arrangement Act (the “**CCAA**”) pursuant to an Initial Order of the Ontario Superior Court of Justice (Commercial List) (the “**CCAA Court**”). The CCAA will provide the appropriate forums for the completion of the transaction, the rationalization of the Company’s retail store network, and the completion of other restructuring activities in an orderly manner for the benefit of stakeholders.

The Company’s first lien lenders have committed to provide the Company with interim financing under a DIP Facility during the CCAA proceedings. The DIP Facility will enable the Company to continue operations without disruption.

As part of the CCAA proceedings, FTI Consulting Canada Inc. (“**FTI**”) has been named the Court-appointed Monitor of Golf Town. The Monitor will report to the Court with respect to Golf Town’s operations and oversee and assist Golf Town during the CCAA proceedings. The Company’s management remains responsible for the management and operations of the business. FTI has set up a website with further information about the CCAA proceedings, which can be accessed at <http://cfcanada.fticonsulting.com/GolfTown>.

To date, a claims procedure and process has not been approved by the Court and creditors are therefore not required to file a proof of claim against Golf Town at this time. Please monitor the FTI website noted above for any details regarding a claims process and the requirement to file a proof of claim against Golf Town.

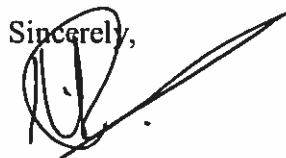
We value our relationship with you and intend to conduct business with you as usual during this period. The Company will continue to operate its business in the normal course while it advances and completes the transaction. We will continue to pay for goods and services that are contracted for and supplied to the Company after the commencement of the CCAA proceeding and we look forward to continuing and expanding our relationship with you following the completion of the transaction.

As a result of the initiation of the CCAA, Golf Town is not in a position to satisfy obligations to suppliers relating to the period prior to the commencement of the respective proceedings on September 14, 2016. The rights and obligations of suppliers of the Golf Town Business are set out in the Initial Order granted by the CCAA Court, a copy of which is available the Monitor's website.

We will keep you informed of events as we move forward, and we look forward to working together with our stakeholders to achieve a successful outcome. Please do not hesitate to contact me with any questions you might have about today's announcement.

Thank you in advance for your continuing assistance and support.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Roussy', with a long, sweeping horizontal stroke extending to the right.

David Roussy
Chief Executive Officer