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No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

**OFFERING DOCUMENT
UNDER THE LISTED ISSUER FINANCING EXEMPTION**

February 14, 2023



PYROGENESIS CANADA INC.

What are we offering?

Offering: Marketed reasonable best efforts offering of units (“Units”) of PyroGenesis Canada Inc. (the “Company”) at a price of \$1.00 per Unit through this offering document under the listed issuer financing exemption (“**Offering Document**”).

Each Unit consists of one common share of the Company (a “Unit Share”) and one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in accordance with the Warrant Indenture (as defined herein), one common share of the Company (a “Warrant Share”) at a price of \$1.25 per Warrant Share at any time prior to 5:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date (as defined herein). The Warrants will be governed by a warrant indenture (the “Warrant Indenture”) to be entered into on or before the Closing Date between the Company and TSX Trust Company (the “Warrant Agent”). The Units will be immediately separated into Unit Shares and Warrants upon issuance.

Subject to the rights, privileges, restrictions and conditions attaching to any preferred shares authorized in the future, the rights of the holders of Common Shares, as a class, are equal in all respects and include the right: (i) to vote at any meeting of shareholders, (ii) to receive, as and when declared by the directors of the Company, any dividends payable on such dates, for such amounts and at such place or places as the Board may from time to time determine, and (iii) to receive the remaining property of the Company on liquidation or dissolution.

Offering Price:	\$1.00 per Unit (the “ Issue Price ”).
Offering Amount:	A minimum of 5,000,000 Units and up to a maximum of 10,000,000 Units for minimum gross proceeds of \$5,000,000 and maximum gross proceeds of \$10,000,000 (the “ Offering ”), subject to a maximum as permitted under Part 5A of National Instrument 45-106 - <i>Prospectus Exemptions</i> , subject to the terms and conditions set out herein, and subject to all necessary regulatory approvals.
Closing Date:	On or about February 23, 2023 (the “ Closing Date ”), subject to approval of the Toronto Stock Exchange (“ TSX ”).
Concurrent Private Placement:	This offering is being conducted concurrently with a non-brokered private placement of \$2.5 million of Units (or such greater amount as may be agreed to by Cormark Securities Inc.) at the Issuer Price (the “ Private Placement ”). The Units issued pursuant to the Private Placement are being issued pursuant to applicable prospectus exemptions, other than the listed issuer financing exemption, in accordance with National Instrument 45-106 – <i>Prospectus Exemptions</i> . The Private Placement is expected to close concurrently with the Offering.
Exchange:	<p>The outstanding Common Shares are listed and admitted for trading on the TSX and the NASDAQ Capital Market (“NASDAQ”) under the symbol “PYR” and on the Frankfurt Stock Exchange under the symbol “8PY”.</p> <p>The Company will apply to list the Unit Shares and the Warrant Shares on the TSX, which listing will be subject to the approval of the TSX in accordance with its applicable listing requirements.</p> <p>There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants that are purchased under the Offering. In addition, the Warrants will not be listed for trading on the TSX or any other stock exchange following the Closing Date. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.</p> <p>On November 22, 2022, the Company received a notice (“Notice”) from the NASDAQ stating that the Company is not in compliance with the minimum bid price requirement (“Minimum Bid Requirement”) of US\$1.00 per share under the NASDAQ Listing Rule 5550(a)(2) based upon the closing bid price of the Company’s Common Shares for the 30 consecutive business days prior to the date of the Notice. The Notice has no immediate effect on the listing or trading of the Common Shares on NASDAQ, and the Company’s operations are not affected by the receipt of the Notice. Under NASDAQ Listing Rule 5810(c)(3)(A), the Company has 180 calendar days from the date of the Notice, or until May 22, 2023, to regain compliance with the Minimum Bid Requirement, during which time the Common Shares will continue to trade on NASDAQ. If at any time before May 22, 2023, the bid price of the Common Shares closes at or above US\$1.00 per share for a minimum of 10 consecutive business days, the Company will regain compliance with the Minimum Bid Requirement. If the Company does not regain compliance with the Minimum Bid Requirement by May 22, 2023, the Company may be eligible, upon satisfaction of certain NASDAQ listing requirements, for</p>

an additional period of 180 calendar days to regain compliance or the Common Shares may be subject to delisting from NASDAQ.

The Company will closely monitor the situation and is considering various strategies to regain compliance with the Minimum Bid Requirement under the Nasdaq Listing Rules. The Notice does not have any impact on the Offering.

Last Closing Price: On February 14, 2023, the closing price of the Common Shares on the TSX was \$1.14 and on the NASDAQ was US\$0.84.

Agent: Cormark Securities Inc. (the “**Agent**”).

The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 - *Prospectus Exemptions*. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed the amount that is equal to 10% of the Company’s market capitalization, to a maximum of \$10,000,000.**
- **The Company will not close this Offering unless the issuer reasonably believes that it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

Unless otherwise indicated, all references to “\$”, “C\$” or “dollars” in this offering document refer to Canadian dollars. References to US\$ in this offering document refer to United States dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This offering document contains certain information and statements that may constitute “forward-looking information” within the meaning of Canadian securities laws and “forward-looking statements” within the meaning of applicable United States securities laws, including the Private Securities Litigation Reform Act of 1995, which the Company refers to in this offering document as “forward-looking statements”. These statements reflect management’s current expectations related to future events or its future results, performance, achievements, business prospects or opportunities, products and services development, and future trends affecting the Company. All such statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “would”, “should”, “believe”, “objective”, “ongoing”, “imply”, “assumes”, “goal”, “likely” or the negative of these words or other variations or synonyms of these words or comparable terminology and similar expressions. Forward-looking statements contained or incorporated by reference in this offering document include, but are not limited to, statements pertaining to the closing of the Offering and the Private Placement and the timing thereof; the expected use of the Company’s available funds and proceeds from the Offering and the Private Placement; and the Company’s business objectives.

Undue reliance should not be placed on forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those anticipated by the Company and expressed or implied by the forward-looking statements contained in this offering document. Forward-looking statements are based on a number of assumptions and risks that may prove to be incorrect, including, without limitation, assumptions about: the Company’s business strategies, strategic objectives and growth strategy; the Company’s current and future capital resources and the need for additional financing; the Company’s ability to increase sales from new and existing customers, and the results of the successful completion of the Company’s current projects; management’s expectation that the Company will achieve growth and profitability; the Company’s overall financial performance; the Company continuing to maintain sufficient and effective production and research and development; there being no significant reduction in the availability of qualified and cost-effective human resources; there will be adequate liquidity available to the Company to carry out its operations; and the Company’s ability to obtain and retain key personnel.

Many factors could cause the Company’s actual results, level of activity, performance, achievements, future events or developments to differ materially from those expressed or implied by forward-looking statements, including, without limitation, the following risk factors: operating income (loss) and negative operating cash flow risk; actual financial position and results of operations risk; revenue risk; concentration risk; technology development and manufacturing capability; additional financing and dilution; reliance on third party suppliers, service providers, distributors and manufacturers; manufacturing facility; sales cycle and fixed price contracts; reliance on technology; changes to contracts; foreign exchange exposure; competition; management and key personnel; implementation of a strategic plan; adverse decisions of sovereign governments; international operations; governmental regulation; government-funded defense and security programs; environmental liability; product liability and other lawsuits; information systems disruptions; security breaches; public health crises; litigation; trade secrets; risks related to acquiring companies; global economic uncertainty; inability to renew leases; financial reporting and other public issuer requirements; influence of the significant shareholders; joint venture/partnership arrangements; limited control over the Company’s operations; change in tax laws; forward-looking information; credit facilities; potential volatility of Common Share price; market liquidity; dividends to shareholders; impact of future sales by existing shareholders; working capital and future issuances; securities or industry analysts; and those risks set out in the Company’s public documents filed on SEDAR at www.sedar.com. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at www.sedar.com.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those expressly or impliedly expected or estimated in such statements. Securityholders and potential investors should not place undue reliance on forward-looking statements as the plans, assumptions, intentions or expectations upon which they are based might not occur. The forward-looking statements contained or incorporated by reference in this offering document are expressly qualified by this cautionary statement. Forward-looking statements contained in this offering document describe the Company's expectations, estimates and opinions as of the date hereof and, accordingly, are subject to change after such date. The Company does not undertake or assume any obligation to update or revise any forward-looking statements for any reason, except as required by applicable securities laws.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

The Company is a leader in the design, development, manufacturing and commercialization of advanced plasma processes and products. The Company's highly specialized products and services are commercialized to customers operating in a wide range of industries, including the defense, metallurgical, mining, advanced materials (including 3D printing), oil & gas, and environmental industries.

The Company sells to its customers plasma-based equipment and other products together with installation, commissioning, and start-up services. The Company also offers research and development services and after sales services to its customers, including the sale of spare parts, consumable and onsite or remote services related to installed systems. The products and services of the Company include:

- plasma torches systems, for replacement of conventional burners in furnaces used in pelletizing of iron ore (mining sector) and in other types of industrial furnaces (mainly metallurgy sector);
- waste destruction and waste-to-energy systems, which are predominantly offered to customers in the environmental and defense industries;
- systems for the recovery of aluminum and other metal from dross (a residue generated by primary and secondary metal producers), which are predominantly offered to customers in the mining and metallurgical industries;
- production of high purity spherical metal powders, which are predominantly offered to customers in the AM (also known as 3D printing) industry;
- development of processes to produce high purity silicon metals, nano powders and nanowires, which are proposed to be predominantly offered to customers in the mining and metallurgical industries, including the battery industry;
- development of a process to produce fumed silica, used in the polymer, cosmetics, and paint industries;
- systems for upgrading of biogas and landfill gas into renewable natural gas, used in the environmental industry;
- systems for the purification of industrial gases such as: the extraction of hydrogen from coke oven gas, the purification of natural gas into high purity methane, and the purification of pyrolytic gases, mainly used in the petrochemical and metallurgical industries;

- installation, commissioning and start-up services; and
- research and development, internal and external funded projects by customers.

Recent Developments

On January 26, 2023, the Company announced the successful delivery of four (4) 1-MW plasma torch systems to a major international iron ore producer, for use in the client's iron ore pelletization furnaces, a key upstream process in the steelmaking industry.

On January 24, 2023, the Company announced that all of the findings and recommendations made by a leading global aerospace company as part of its on-site audit of the Company' NexGen™ metal powder production facility have been successfully completed and accepted.

On January 17, 2023, the Company announced the execution, through Pyro Green-Gas, a wholly owned subsidiary of the Company, of a contract with a North American lithium-ion battery recycler for the delivery of a system to decontaminate the dust generated during its battery recycling process. The value of the contract is confidential, and is over \$500,000 and under \$1 million.

On January 12, 2023, the Company announced an initial contract with a major European multinational chemical, oil, and gas conglomerate with 2021 revenues exceeding USD\$25 billion to assess the applicability of the Company's fully electric plasma torches for use in its client's chemical production process.

On January 10, 2023, the Company announced a contract to provide the Company's SPARC™ refrigerant waste destruction system to an advanced materials company. The system is the first of two systems that the client has indicated it may require. This first system is contracted at approximately \$6 million.

On November 3, 2022, the Company announced that it has been engaged by a major international aluminum company to help in its decarbonization efforts, with a specific goal to investigate the feasibility of applying the Company's plasma torches as a heating source in the client's cast house furnace.

On October 26, 2022, the Company announced that its Plasma Arc Waste Destruction System (PAWDS) is in operation on the newly launched USS Gerald R. Ford aircraft carrier that departed Naval Station Norfolk on October 4, 2022 for its initial deployment.

On July 5, 2022, the Company announced that it has completed the delivery of its 1-MW plasma torch to a client for use in the client's iron ore pelletization system.

On June 2, 2022, the Company announced that it has undertaken a joint initiative with a premier applied engineering and process optimization firm in the global aluminum industry. The agreement is focused on utilizing the Company's zero-emission plasma torches in carbon anode baking, a vital upstream step in the aluminum production process.

On May 24, 2022, the Company announced that it has undertaken a joint evaluation with a major manufacturer to test the Company's zero-emission plasma torches in the client's scrap remelting and holding furnaces for the aluminum industry.

On April 25, 2022, the Company announced that the Company's DROSRITE™ dross recovery technology has been successfully commissioned at Ma'aden Aluminum, a joint venture with Alcoa, and one of the world's largest primary aluminum producers with 2021 revenue in excess of US\$7 billion. The DROSRITE™ systems are supplied by Drosrite International and are manufactured in the United States.

Material Facts

There are no material facts about the securities being distributed that has not been disclosed elsewhere in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use a portion of the proceeds raised from the Offering for investments and research in plasma torch systems and the balance for working capital, as outlined under “Use of Available Funds – How will we use the available funds?” below. The Company expects to further develop, test and market plasma torch systems for the heavy industry sector. These costs will be mainly comprised of Company executed research and development. These steps are expected to allow the Company to reach commercial production of the plasma torch systems.

There are no significant events which must occur in order to accomplish this business objective.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The net proceeds of the Offering and the funds which will be available to the Company after the Offering are as follows, assuming no Units are sold to purchasers on the President’s List. See the “Fees and Commissions” section below.

		Assuming Minimum Offering Only	Assuming Maximum Offering
A	Amount to be raised by this Offering	\$5,000,000	\$10,000,000
B	Selling commissions and fees	\$250,000	\$500,000
C	Estimated Offering costs (e.g. legal, accounting, audit)	\$130,000	\$130,000
D	Net proceeds of Offering: D = A – (B + C)	\$4,620,000	\$9,370,000
E	Estimated working capital as at most recent month end (deficiency) ⁽¹⁾	\$4,900,000	\$4,900,000
F	Additional sources of funding ⁽²⁾	\$2,500,000	\$2,500,000
G	Total available funds: G = D + E + F	\$12,020,000	\$16,770,000

Notes:

- (1) The estimated working capital is unaudited based on preliminary results and are subject to customary financial statement procedures by the Company and its auditors.
- (2) Includes the proceeds of the Private Placement.

The Company’s working capital declined from approximately \$14.0 million at December 31, 2021, to approximately \$7.7 Million at September 30, 2022. The decline is derived primarily from the reduction in cash and increased accounts payable and accrued liabilities, offset by increased accounts receivables and inventory and timing or prepaid expenses. The decline in working capital is also attributable to a decrease in costs and profits in excess of billings on uncompleted contracts and an increase in the balance due on business combination, offset by the decrease in billings in excess of costs and profits on uncompleted contracts.

How will we use the available funds?

The Company intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering Only	Assuming Maximum Offering
Investments and research in plasma torch systems ⁽¹⁾	\$2,020,000	\$2,770,000
Working capital	\$10,000,000	\$14,000,000
Total: Equal to “G” Total Available Funds in Chart Above	\$12,020,000	\$16,770,000

Notes:

- (1) The Company expects to further develop, test and market plasma torch systems for the heavy industry sector. These costs will be mainly comprised of Company executed research and development. These steps are expected to allow the Company to reach commercial production of the plasma torch systems.

The above noted allocation and anticipated timing represents the Company’s current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company’s ability to execute on its business plan.

How have we used the other funds we have raised in the past 12 months?

Description of intended use of available funds or proceeds from financings in the past 12 months	Proposed use of proceeds from financings completed in the past 12 months (\$)	Use of Funds to Date (\$)
October 19, 2022: private placement for total gross proceeds of \$1,318,980	The net proceeds were to be used for working capital and general corporate purposes.	\$1,318,980

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?

Agent:	Cormark Securities Inc. The Agent may also form a syndicate of agents to be agreed to by the Company.
Compensation Type:	Cash fee and Broker Warrants (as defined herein).
Cash Fee:	Cash fee equal to 5% of the gross proceeds of the Offering (provided that a cash fee equal to 2.5% shall be payable in respect of gross proceeds of up to \$1 million from Units sold to purchasers on the “President’s List”).

Total Cash Fee:	\$250,000, assuming the minimum Offering only, and that no Units are sold to purchasers on the President's List. \$500,000, assuming the maximum Offering, and that no Units are sold to purchasers on the President's List.
Broker Warrants:	Such number of broker warrants (the " Broker Warrants ") as is equal to 5% of the Units sold under the Offering (provided that Broker Warrants equal to 2.5% shall be issuable in respect of Units sold to purchasers on the "President's List"). Each Broker Warrant shall be exercisable to acquire one Common Share exercisable at a price of \$1.25 for 24 months following the Closing Date.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agent, as such terms are defined in National Instrument 33-105 - *Underwriting Conflicts*.

PURCHASERS RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right:

- (a) To rescind your purchase of these securities with the Company; or**
- (b) To damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor.

ADDITIONAL INFORMATION

Please refer to Appendix "A" – "Acknowledgements, Covenants, Representations and Warranties of the Purchaser" and Appendix "B" – "Indirect Collection of Personal Information" attached hereto.

Where can you find more information about us?

You can access the Company's continuous disclosure record at www.sedar.com.

U.S. Securities Law Matters

The Units to be offered by the Company in the Offering have not been and will not be registered under the U.S. Securities Act or the securities laws of states in the United States and, subject to certain exemptions

from registration under the U.S. Securities Act and applicable U.S. state securities laws, may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons or persons within the United States. The Agent has agreed that it will not offer or sell the Units within the United States or to, or for the account or benefit of, U.S. persons or persons within the United States except to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions in accordance with the exemption from registration under the U.S. Securities Act provided by Rule 144A thereunder and similar exemptions under applicable U.S. state securities laws. The Agent will offer and sell the Units outside the United States in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

DATE AND CERTIFICATE

This Offering Document, together with any document filed under Canadian securities legislation on or after February 14, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated: February 14, 2023

(s) P. Peter Pascali

P. Peter Pascali

President and Chief Executive
Officer

(s) Andre Mainella

Andre Mainella

Chief Financial Officer

APPENDIX A

ACKNOWLEDGEMENTS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Each purchaser of Units (each, a “**Purchaser**”) makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Company and the Agent, as at the date hereof, and as of the closing date which will take place on or about February 23, 2023:

- (a) the Purchaser is resident in the jurisdiction disclosed to the Agent or the Company and the Purchaser was solicited to purchase in such jurisdiction;
- (b) the Purchaser has not received, nor has the Purchaser requested, nor does the Purchaser have any need to receive, any prospectus, sales or advertising literature, offering memorandum or any other document (other than an annual or interim report, financial statements or any other document, other than an offering memorandum, the content of which is prescribed by statute or regulation) describing or purporting to describe the business and affairs of the Company which has been prepared for delivery to, and review by, prospective purchasers in order to assist them in making an investment decision in respect of the purchase of Units pursuant to the Offering;
- (c) the Purchaser has relied only upon publicly available information relating to the Company and not upon any verbal or written representation as to fact, and the Purchaser acknowledges that the Company has not made any written representations, warranties or covenants in respect of such publicly available information except as set forth in this Offering Document. Without limiting the generality of the foregoing, except as may be provided herein, no person has made any written or oral representation to the Purchaser that any person will re-sell or re-purchase the Units (or the underlying Unit Shares, Warrants or Warrant Shares) or refund any of the purchase price of the Units (or the underlying Unit Shares, Warrants or Warrant Shares), or that the Units will be listed on any exchange or quoted on any quotation and trade reporting system, or that application has been or will be made to list any such security on any exchange or quote the security on any quotation and trade reporting system, and no person has given any undertaking to the Purchaser relating to the future value or price of the Units (or the underlying Unit Shares, Warrants or Warrant Shares);
- (d) legal counsel retained by the Company is acting as counsel to the Company and not as counsel to the Purchaser and the Purchaser may not rely upon such counsel. The Purchaser should obtain independent legal and tax advice as it considers appropriate in connection with the performance of this Offering Document and the transactions contemplated under this Offering Document, and that the Purchaser is not relying on legal or tax advice provided by the Company or its counsel;
- (e) the Purchaser acknowledges that:
 - a. no securities commission or similar regulatory authority has reviewed or passed on the merits of the Offering;
 - b. there is no government or other insurance covering the Offering;
 - c. there are risks associated with the purchase of the Offering;
- (f) the Company has advised the Purchaser that the Company is relying on an exemption from the requirements to provide the Purchaser with a prospectus and to sell the Units through a person or company registered to sell securities under applicable securities laws and, as a consequence of acquiring the Units pursuant to this exemption, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, will not be available to the Purchaser and the Purchaser may not receive information that would otherwise be required to be given; and

- (g) the Purchaser either (A) is not an “insider” of the Company or a “registrant” (each as defined under applicable securities laws of Québec) or (B) has identified itself to the Company as either an “insider” or a “registrant” (each as defined under applicable securities laws of Québec);
- (h) if the Purchaser is:
- a. a corporation, the Purchaser is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and corporate power and authority to subscribe for the Units pursuant to the terms set out in this Offering Document;
 - b. a partnership, syndicate or other form of unincorporated organization, the Purchaser has the necessary legal capacity and authority to subscribe for the Units pursuant to the terms set out in this Offering Document and has obtained all necessary approvals in respect thereof; or
 - c. an individual, the Purchaser is of the full age of majority and is legally competent to subscribe for the Units pursuant to the terms set out in this Offering Document;
- (i) the subscription for the Units and the completion of the transactions described herein by the Purchaser will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, bylaws or resolutions of the Purchaser if the Purchaser is not an individual, the applicable securities laws or any other laws applicable to the Purchaser, any agreement to which the Purchaser is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Purchaser;
- (j) the Purchaser is not purchasing the Units with knowledge of any material fact or material change about the Company that has not been generally disclosed and the decision of the Purchaser, to acquire Units has not been made as a result of any oral or written representation as to fact or otherwise made by, or on behalf of, the Company or any other person and is based entirely upon the Offering Document;
- (k) the Purchaser is aware that the Units (or the underlying Unit Shares, Warrants or Warrant Shares) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the securities laws of any state of the United States and that the Units (or the underlying Unit Shares, Warrants or Warrant Shares) may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, any state or territory of the United States or the District of Columbia, without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption from such registration and it acknowledges that the Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the sale or resale of the Units (or the underlying Unit Shares, Warrants or Warrant Shares);
- (l) if Purchaser is not a “qualified institutional buyer” (as defined in Rule 144A under the U.S. Securities Act, each a “**QIB**”), then Purchaser (i) acknowledges it has not purchased the Units as a result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act (“**Regulation S**”)), (ii) is not a “U.S. person” (as defined in Regulation S), and is not purchasing for the account or benefit of a U.S. person or person in the United States, (iii) was not in the United States when it made its investment decision to purchase the Units, (iv) the structure and purchase of the Units is not a scheme to avoid the registration requirements of the U.S. Securities Act or any applicable securities laws of any states of the United States;
- (m) if the Purchaser is a QIB, then the Purchaser:
- a. is acquiring the Units, for its own account and not on behalf of any other person or for the account of a QIB with respect to which it exercises sole investment discretion and not with

- a view to any resale, distribution or other disposition of the Units in violation of United States federal or state securities laws;
- b. it is not an “affiliate” (as defined in Rule 144 under the U.S. Securities Act) of the Company and is not acting on behalf of an affiliate of the Company;
 - c. it understands and acknowledges that the Units (and the underlying Unit Shares, Warrants and Warrant Shares) acquired by it in the United States will be considered “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act (“**Restricted Securities**”). To induce the Company to issue the Units to the Purchaser without a U.S. Securities Act restrictive legend, the Purchaser represents, warrants and covenants to the Company as follows (collectively, the “**Restricted Security Agreements**”): (a) if in the future it decides to offer, sell, pledge, or otherwise transfer, directly or indirectly, any of the Units (or the underlying Unit Shares, Warrants or Warrant Shares) it will do so only: (i) to the Company (though the Company is under no obligation to purchase any such securities) or (ii) outside the United States in accordance with Rule 904 of Regulation S and in compliance with applicable local laws or regulations; (b) it will cause any CDS Clearing and Depository Services Inc. (“**CDS**”) participant holding such securities, if any, on its behalf, and the beneficial purchaser of such securities, if any, to comply with the Restricted Security Agreements; (c) for so long as such securities, if any, constitute Restricted Securities, it will not deposit any of such securities, if any, into the facilities of the Depository Trust Company, or a successor depository within the United States, or arrange for the registration of any of such securities, if any, with Cede & Co. or any successor thereto; it understands and acknowledges that the Units (or the underlying Unit Shares, Warrants or Warrant Shares) may not, be represented by certificates that bear a U.S. restrictive legend or identified by a restricted CUSIP number in reliance on the acknowledgments, representations and agreements contained herein, including the Restricted Security Agreements set forth above; and
 - d. it has implemented appropriate internal controls and procedures to ensure compliance with the Restricted Security Agreements;
- (n) the funds representing the aggregate subscription funds which will be advanced by the Purchaser to the Company hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “**PCMLTFA**”) or for the purposes of the United States Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, as may be amended from time to time (the “**PATRIOT Act**”) and the Purchaser acknowledges that the Company may in the future be required by law to disclose the Purchaser’s name and other information relating to the Purchaser’s subscription of the Units, on a confidential basis, pursuant to the PCMLTFA and the PATRIOT Act, and that, to the best of its knowledge: (i) none of the subscription funds to be provided by the Purchaser (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States or any other jurisdiction; or (B) are being tendered on behalf of a person who has not been identified to the Purchaser; and (ii) it will promptly notify the Company if the Purchaser discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
- (o) neither the Company, the Agent, nor any of their respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Purchaser: (i) that any person will resell or repurchase the Units (or the underlying Unit Shares, Warrants or Warrant Shares); (ii) that any person will refund all or any part of the purchase price of the Units (or the underlying Unit Shares, Warrants

or Warrant Shares) acquired by the Purchaser; or (iii) as to the future price or value of the Units (or the underlying Unit Shares, Warrants or Warrant Shares);

- (p) if required by applicable securities laws or the Company, the Purchaser will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the issue and/or sale of the Units as may be required by any securities commission, stock exchange or other regulatory authority;
- (q) the Purchaser has obtained all necessary consents and authorities to enable it to agree to subscribe for Units pursuant to the terms set out in this Offering Document and the Purchaser has otherwise observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in any territory in connection with the purchase of the Units and the Purchaser has not taken any action which will or may result in the Company acting in breach of any regulatory or legal requirements of any territory in connection with the Offering or the Purchaser's subscription;
- (r) the Purchaser is purchasing the Units for investment purposes only and not with a view to resale or distribution; and
- (s) the Purchaser acknowledges that certain fees and commissions may be payable by the Company in connection with the Offering.

APPENDIX B

INDIRECT COLLECTION OF PERSONAL INFORMATION

By purchasing Units, the purchaser (each a “**Purchaser**”) acknowledges that the Company and the Agent and their respective agents and advisers may each collect, use and disclose its name and other specified personally identifiable information (including its name, jurisdiction of residence, address, telephone number, email address and aggregate value of the Units that it has purchased) (the “**Information**”), for purposes of (i) meeting legal, regulatory, stock exchange and audit requirements and as otherwise permitted or required by law or regulation, and (ii) issuing ownership statements issued under a direct registration system or other electronic book-entry system, or certificates that may be issued, as applicable, representing the Units to be issued to the Purchaser. The Information may also be disclosed by the Company to: (i) stock exchanges, (ii) revenue or taxing authorities and (iii) any of the other parties involved in the Offering, including legal counsel, and may be included in record books in connection with the Offering. The Purchaser is deemed to be consenting to the disclosure of the Information.

By purchasing Units the Purchaser acknowledges (A) that Information concerning the Purchaser will be disclosed to the relevant Canadian securities regulatory authorities, including the British Columbia Securities Commission, the Alberta Securities Commission, the Ontario Securities Commission and the Autorité des marchés financiers, and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the Purchaser consents to the disclosure of the Information; (B) the Information is being collected indirectly by the applicable Canadian securities regulatory authorities under the authority granted to them in securities legislation; and (C) the Information is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation; and by purchasing the Units, the Purchaser shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities.

The Purchaser may contact the following public official in the applicable province with respect to questions about the commission’s indirect collection of such Information at the following address, telephone number and email address (if any):

Alberta Securities Commission

Suite 600, 250 - 5th Street SW

Calgary, Alberta T2P 0R4 Telephone: 403 297-6454

Toll free in Canada: 1-877-355-0585

Facsimile: 403-297-2082

Public official contact regarding indirect collection of information: FOIP Coordinator

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Inquiries: 604-899-6854

Toll free in Canada: 1-800-373-6393

Facsimile: 604-899-6581

Email: FOI-privacy@bcsc.bc.ca

Public official contact regarding indirect collection of information: FOI Inquiries

The Manitoba Securities Commission

500-400 St. Mary Avenue

Winnipeg, Manitoba R3C 4K5

Telephone: 204-945-2548

Toll Free in Manitoba: 1-800-655-5244
Facsimile: 204-945-0330
Public official contact regarding indirect collection of information: Director

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll free in Canada: 1 866 933-2222
Facsimile: 506-658-3059
Email: info@fcnb.ca
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer

**Government of Newfoundland and Labrador
Financial Services Regulation Division**

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: 709 729-4189
Facsimile: 709 729-6187
Public official contact regarding indirect collection of information: Superintendent of Securities

**Government of the Northwest Territories
Office of the Superintendent of Securities**

P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Telephone: 867 767-9305
Facsimile: 867 873-0243
Public official contact regarding indirect collection of information: Superintendent of Securities

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: 902 424-7768
Facsimile: 902 424-4625
Public official contact regarding indirect collection of information: Executive Director

**Government of Nunavut
Department of Justice**

Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867 975-6590
Facsimile: 867 975-6594
Public official contact regarding indirect collection of information: Superintendent of Securities

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: 416 593- 8314
Toll free in Canada: 1 877 785-1555
Facsimile: 416 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of information: Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902 368-4569
Facsimile: 902 368-5283
Public official contact regarding indirect collection of information: Superintendent of Securities

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514 395-0337 or 1 877 525-0337
Facsimile: 514 873-6155 (For filing purposes only)
Facsimile: 514 864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca (For corporate finance issuers)
fonds_dinvestissement@lautorite.qc.ca (For investment fund issuers)
Public official contact regarding indirect collection of information: Secrétaire générale

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306 787-5842
Facsimile: 306 787-5899
Public official contact regarding indirect collection of information: Director

Government of Yukon**Department of Community Services**

Office of the Superintendent of Securities
307 Black Street
Whitehorse, Yukon Y1A 2N1
Telephone: 867 667-5466
Facsimile: 867 393-6251
Email: securities@gov.yk.ca
Public official contact regarding indirect collection of information: Superintendent of Securities