

*This amended and restated offering document pursuant to the listed issuer financing exemption under section 5A.2 of National Instrument 45-106 – Prospectus Exemptions (the "**Offering Document**") constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons whom they may be lawfully offered for sale. The securities offered under this Offering Document have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons or persons in the United States. "**United States**" and "**U.S. Person**" have the meanings ascribed to them in Regulation S under the U.S. Securities Act.*

AMENDED AND RESTATED OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

New Issue

October 17, 2023

EARTHWORKS INDUSTRIES INC.



Minimum of \$1,000,000 and Maximum of \$1,500,000
Minimum of 5,000,000 Units and Maximum of 7,500,000 Units

SUMMARY OF OFFERING

What are we offering?

- Offering:** Units ("**Units**") of Earthworks Industries Inc. (the "**Company**", "**Earthworks**", "**we**" or "**our**"), with each Unit being comprised of one common share in the capital of the Company (a "**Common Share**") and one common share purchase warrant of the Company (a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of \$0.40 per Common Share for 24 months following the completion of the offering (the "**Offering**").
- Offering Price:** \$0.20 per Unit (the "**Issue Price**").
- Offering Amount:** A minimum of 5,000,000 Units and a maximum of 7,500,000 Units, for gross proceeds of a minimum of \$1,000,000 and a maximum of \$1,500,000.
- Closing Date:** On or before November 3, 2023 (the "**Closing Date**").
- Exchange:** The Common Shares are listed and posted for trading, under the symbol "**EWK**", on the TSX Venture Exchange (the "**TSXV**").
- Last Closing Price:** On October 16, 2023, the closing price of the Common Shares on the TSXV was \$0.19.

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.

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

- **Earthworks has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **Earthworks 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 \$5,000,000.**
- **Earthworks will not close this Offering unless Earthworks reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **Earthworks 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 Earthworks seeks security holder approval.**

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "anticipates", "believes", "estimates", "expects" and similar expressions, or the negatives of such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Offering Document speak only as of the date of this Offering Document or as of the date specified in such statement. Specifically, this Offering Document includes, but is not limited to, forward-looking statements regarding: the Company's expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; completion of the Offering on the terms described herein or at all; the expected Closing Date; the Company's ability to raise additional capital; continuation of the Cortina Lease (as defined herein); the value of the Cortina Project (as defined herein); and completion of the Company's business objectives, including but not limited to advancement of the Cortina Project, and the timing, costs, and benefits thereof.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Earthworks' ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, equipment and labor shortages and inflationary costs; changes in applicable environmental taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; risks associated with significant secured debt; termination of the Cortina Lease; general economic conditions in Canada, the United States, and globally; industry conditions; the availability of additional capital on acceptable terms or at all; the ability to obtain required approvals from regulatory authorities including but not limited to the TSXV; and stock market volatility. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by forward-looking statements contained in this Offering Document. Such statements are based on a number of assumptions, including, but not limited to, the following: general expectations with respect to advancement of the Cortina Project; expectations regarding the appeal of the notice of termination of the Cortina Lease; anticipated costs of, and the Company's ability to fund, its operations; the receipt of any required approvals and permits; the Company's ability to operate in a safe, efficient and effective manner; the potential impact of natural disasters, epidemics, war and other force majeure events including but not limited to the impact of the Russo-Ukrainian war; inflationary pressures; the Company's ability to obtain financing as and when required and on reasonable terms; market competition; and general business and economic conditions.

Forward-looking statements may be affected by known and unknown risks, uncertainties and other factors including, without limitation, those referred to in this Offering Document that may cause Earthworks' actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If Earthworks does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

The Company is incorporated under the laws of British Columbia. The Company has no significant revenues as the Company's landmark Cortina Project (as defined herein) is in the development stage.

Cortina Project

The Company is developing an integrated waste management project located on the Cortina Indian Rancheria in Colusa County, California (the "**Cortina Project**"), which will consist of a municipal solid waste landfill, a material recovery facility, a composting facility, and a remediation project.

In connection with the development of the Cortina Project, on October 31, 1995, the Company, through its wholly-owned subsidiary, Cortina Integrated Waste Management Inc. ("**CIWM**"), entered into a business lease agreement (the "**Cortina Lease**") with the Cortina Band of Wintun Indians, which was amended and restated on October 18, 2000 and on April 29, 2003 to incorporate provisions of the decision dated October 27, 2000 (the "**Decision**") issued pursuant to the *National Environmental Policy Act*.

In 2000, the Company completed an environmental impact study for the Cortina Project.

The Company submitted the Cortina Lease to the Secretary of the Interior on May 6, 2003, which, among other things, further incorporated the terms and conditions of the Decision and addressed changes requested by the U. S. Department of the Interior, Bureau of Indian Affairs. CIWM received approval of the Cortina Lease from the United States Department of the Interior – Bureau of Indian Affairs (the "**BIA**") on January 25, 2007. Subsequently, the Wintun Environmental Protection Agency Board of Commissioners issued an authority to construct for CIWM to begin construction of the Cortina Project in October 2008.

Pursuant to the Cortina Lease, CIWM will develop and operate the Cortina Project for an initial term of twenty-five (25) years (with a renewal term of an additional twenty-five (25) years), which commenced on the date the Cortina Lease was approved, for consideration of:

- a) US\$10,000 payable within twenty-one (21) days of the Cortina Lease being approved by the BIA;
- b) US\$15,000 per month commencing the first month following the month in which commercial production commences, with monthly payments being indexed on an annual basis according to increases in the Cost of Living Index as published by the United States government; and
- c) fees equal to 3% of gross revenue on the first 150,000 tonnes of waste received in a fiscal year, to be calculated and paid monthly, and 5% of gross revenue for waste in excess of 150,000 tonnes received in a fiscal year.

CIWM also agreed to pay The Cortina Band of Wintun Indians' reasonable attorney fees and costs incurred by tribal officials and legal counsel in carrying out their obligations under the Cortina Lease.

In April 2007, an agreement was signed to sell 50% of the issued shares of CIWM to Cortina Landfill Company ("CLC"), a wholly-owned subsidiary of North Bay Corporation ("North Bay"), in consideration of funding the development of the Cortina Project. Pursuant to this agreement, North Bay financed the original costs of regulatory and environmental reviews required to obtain the Wintun Environmental Protection Agency Board of Commissioners' authority to construct the Cortina Project. On December 23, 2009, North Bay and CLC notified the Company that they would not be completing the acquisition of 50% of the issued shares of CIWM, nor continuing to fund the development of the Cortina Project. Subsequently, a number of settlement agreements, amendments, and extensions were entered into by and among the parties regarding the repayment of funds already advanced by North Bay to CIWM pursuant to the April 2007 agreement.

On February 4, 2022, the Company amended its agreement with North Bay to settle a US\$500,000 installment payment due to be paid by the Company to North Bay on March 31, 2022 as follows:

- a) the principal amount of the loan to be repaid to North Bay by the Company as of March 31, 2022 was US\$4,369,916 with installments payable annually commencing March 31, 2022;
- b) two payments of US\$12,500 with the first being payable upon execution of the amended agreement and the second payable by August 31, 2022 (as of the date of this Offering Document, both payments were made by the Company);
- c) US\$250,000 will be satisfied by the issuance of 1.27 million units of the Company (such units were issued in April 2022) with each unit consisting of one Common Share and one-half of one common share purchase warrant of the Company, each full warrant being exercisable until February 28, 2024 to purchase one Common Share for \$0.35;
- d) the remaining US\$225,000 will remain part of the balance amount as defined in the agreement;
- e) the payout option amount was increased to US\$2,500,000 expiring on March 31, 2023; and
- f) in the event that the Company signs and closes an arms' length agreement to sell 100% of the equity interest in Company, the following will occur:
 - (i) the Company will pay to CLC the whole amount of the balance amount and accrued interest owing; and
 - (ii) the Company will pay to CLC 10% of the amount received less the amount paid in part (i) and less the Company's direct investment and costs into the project being US\$6,720,633.

The aforementioned amendment was subject to acceptance by the TSXV, which was granted on April 20, 2022.

On August 19, 2013, the Company received a notice from the BIA of termination of the Cortina Lease, which was appealed by the Company On September 16, 2013 to the Interior Board of Indian Appeals. On October 29, 2015, the decision to terminate was reversed, and the Cortina Lease was reinstated. On March 1, 2019, the Company received a second notice from the BIA of termination of the Cortina Lease. The Company has filed appeal, which remains pending, and believes that the notice of termination will not be upheld.

Since March 30, 2022, no on-site work (other than on-site water monitoring) has been done with respect to the Cortina Project. The efforts of management of the Company since March 30, 2022 have been focused on raising additional capital for the Company to fund the Cortina Project.

Recent developments

On September 26, 2022, the Company announced that it had closed a non-brokered private placement of 2,500,000 units for a price of \$0.20 per unit, for gross proceeds to the Company of \$500,000. Each unit consisted of one Common Share and one common share purchase warrant of the Company, with each warrant exercisable to purchase one

additional Common Share at a price of \$0.30 on or before September 21, 2024. Proceeds of the non-brokered private placement were used to pay continuing costs of the Cortina Project and for general working capital purposes.

On March 13, 2023, the Company and North Bay further amended settlement terms whereby the Company agreed to buy out its existing US\$5,900,000 loan from North Bay for US\$2,500,000. The Company also agreed to repay US\$150,000 borrowed from North Bay under a separate loan agreement dated September 27, 2022. In total, US\$2,650,000 was payable by the Company to North Bay (the "**North Bay Debt**") on or before September 30, 2023. The Company has also agreed to pay North Bay a 10% loan fee of US\$265,000, which was paid from 50% of the proceeds of the Company's non-brokered private placement which closed on May 30, 2023 (as described below). North Bay, in turn, waived the US\$500,000 instalment payment due March 31, 2023.

On May 30, 2023, the Company closed a non-brokered private placement of 4,500,000 units for a price of \$0.20 per unit, for gross proceeds to the Company of \$900,000. Each unit consisted of one Common Share and one common share purchase warrant of the Company, with each warrant exercisable to purchase one additional Common Share at a price of \$0.40 on or before May 18, 2024. Proceeds of the non-brokered private placement will be used to pay continuing costs of the Cortina Project, outstanding accounts payable, and for general working capital purposes.

On June 26, 2023, the Company granted 300,000 share purchase options (the "**Options**") to a service provider and advisor of the Company. The Options are exercisable at a price of \$0.35 per share until July 31, 2025.

On September 19, 2023, the Company and North Bay further amended settlement terms whereby the Company and North Bay agreed to extend the repayment date of the North Bay Debt from on or before September 30, 2023, to on or before October 23, 2023.

On October 10, 2023 and October 15, 2023, the Company and North Bay further amended settlement terms whereby the Company and North Bay agreed to the following:

- a) subject to obtaining requisite approval from regulatory authorities, including but not limited to the TSXV, on or about the Closing Date, the Company shall issue to North Bay, separate and apart from the Offering and pursuant to available prospectus exemptions, 3,335,000 units of the Company at a price per unit of US\$0.15 in settlement of US\$500,000. Each unit issued to North Bay shall consist of one (1) Common Share and one (1) common share purchase warrant of the Company entitling the holder thereof to purchase one additional Common Share at a price of \$0.40 per Common Share from the date of issuance, expiring October 30, 2025 (the "**North Bay Issuance**");
- b) the repayment date of the remaining US\$2,150,000 of the North Bay Debt shall be extended to April 15, 2024. The Company shall pay a fee to North Bay for the extension, equal to 25% of the net proceeds of the Company's next financing (together with the North Bay Issuance, collectively, the "**North Bay Extension Fee**").
- c) following the Closing Date, the Company shall have an option to extend such repayment date to November 15, 2024. Upon exercise of such option to extend, the Company shall issue to North Bay, separate and apart from the Offering and pursuant to available prospectus exemptions, units of the Company in settlement of US\$500,000 at the price of the Common Shares at such time. Each unit issued to North Bay shall consist of one (1) Common Share and one (1) Common Share purchase warrant of the Company entitling the holder thereof to purchase one additional Common Share at a price and expiry date to be determined at the time of issuance; and
- d) interest will accrue at 10.0% per annum on the total principal and accrued interest outstanding of approximately US\$6,000,000 from October 10, 2023 and be paid in addition to the remaining settlement amount of US\$2,150,000.

Such amended settlement terms remain subject to the requisite approvals from regulatory authorities including but not limited to the TSXV.

Material facts

There are no material facts about the securities being distributed that have not been disclosed 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 expects to use the net proceeds of the Offering, together with existing cash and cash equivalents, to pay the North Bay Extension Fee and for working capital and general corporate purposes. No significant event must occur other than closing of the Offering.

USE OF AVAILABLE FUNDS

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

The expected total available funds to the Company, assuming the completion of the maximum Offering is estimated to be approximately \$1,178,467. The expected total available funds to the Company, assuming the completion of the minimum Offering is estimated to be approximately \$718,467.

		Assuming Minimum Offering Only	Assuming 100% of Offering
A	Amount to be raised by this Offering	\$1,000,000	\$1,500,000
B	Selling commissions and fees	\$80,000	\$120,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$100,000	\$100,000
D	Net proceeds of Offering: D = A - (B+C)	\$820,000	\$1,280,000
E	Working capital as at most recent month end (deficiency)	\$(101,533)	\$(101,533)
F	Additional sources of funding	N/A	N/A
G	Total available funds: G = D+E+F	\$718,467	\$1,178,467

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering Only⁽¹⁾	Assuming 100% of Offering⁽¹⁾
Fee payable to North Bay ⁽²⁾	\$205,000	\$320,000
Operating Expenses	\$500,000	\$500,000
Unallocated Working Capital	\$13,467	\$358,467
Total: Equal to G in the available funds chart above	\$718,467	\$1,178,467

Note:

- (1) These amounts may be increased or decreased accordingly based on available funds and the amounts subscribed for under the Offering.
- (2) Pursuant to the amendment agreement between the Company and North Bay dated October 15, 2023, the Company shall pay the North Bay Extension Fee to North Bay for its option to extend the North Bay Debt repayment date.

The above noted allocation of capital and anticipated timing is conditional upon the Company raising a minimum of \$1,000,000, and represents Earthworks' current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although Earthworks intends to spend the

proceeds from the Offering as set forth above, there may be certain circumstances which affect the Company's ability to do so. Such circumstances include, but are not limited to, the Offering not being fully subscribed in which case for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above. The amounts ultimately allocated and spent will depend on a number of factors, including, but not limited to, Earthworks' ability to execute on its business plan. See the "*Cautionary Statement Regarding Forward-Looking Information*" section above.

The most recent audited annual financial statements and interim financial report of the Company included a going concern note. The Company has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to achieve its business objectives, and is not expected to affect the decision to include a going concern note in the future financial statements of the Company.

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

Date of Financing	Funds Raised	Intended Use of Funds	Explanation of Variances and Impact on Business Objectives and Milestones
September 26, 2022	Gross proceeds of \$500,000 and net proceeds (less commissions paid) of \$485,720.	Net proceeds to be used to pay continuing costs of the Cortina Project, and for general working capital purposes.	No significant variances to intended use of proceeds.
May 30, 2023	Gross proceeds of \$900,000.	Net proceeds to be used to pay continuing costs of the Cortina Project, outstanding accounts payable, and for general working capital purposes.	No significant variances to intended use of proceeds.

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?

Agents:	Haywood Securities Inc., on behalf of a syndicate of agents (collectively, the " Agents ")
Compensation Type:	Cash fee and broker warrants
Cash Commission:	Cash commission equal to 6% of the gross proceeds of the Offering
Broker Warrants:	Broker warrants (the " Broker Warrants ") entitling the Agents to purchase that number of Units (the " Compensation Units ") equal to 6% of the aggregate number of Units sold pursuant to the Offering. The Broker Warrants shall have an exercise price per Compensation Unit equal to the Issue Price, expiring 24 months from the Closing Date.
Corporate Finance Fee:	Corporate finance fee (the " Corporate Finance Fee ") equal to 8% of the gross proceeds from the Offering, up to a maximum amount of \$120,000 (exclusive of

	applicable taxes). The Corporate Finance Fee shall be payable (i) 25% in cash, and (ii) 75% in the form of Units (the "CF Fee Units"), at a price per CF Fee Unit equal to the Issue Price.
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Do the Agents have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agents, 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 Earthworks, or
- (b) to damages against Earthworks 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 adviser.

ADDITIONAL INFORMATION

Where you can find more information about us

Security holders can access Earthworks' continuous disclosure filings on SEDAR+ at www.sedarplus.ca and may find additional information on our website at www.earthworksinc.com.

All dollar figures outlined in this Offering Document are expressed in Canadian dollars unless otherwise noted.

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

Purchasers should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment in the Units.

CERTIFICATE OF THE COMPANY

October 17, 2023

This Offering Document, together with any document filed under Canadian securities legislation on or after October 17, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

"David Atkinson"

David Atkinson
Chief Executive Officer

"David Russell"

David Russell
Chief Financial Officer

APPENDIX A

ACKNOWLEDGEMENTS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE INVESTOR

Each purchaser of the Units (the "**Investor**") makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Company and the Agents, as at the date hereof, and as of the Closing Date:

- (a) the Investor confirms that it (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units (including the potential loss of his, her or its entire investment); (ii) is aware of the characteristics of the Units (and the underlying securities) and understands the risks relating to an investment therein; and (iii) is able to bear the economic risk of loss of its investment in the Units and understands that it may lose its entire investment in the Units;
- (b) the Investor is resident in the jurisdiction disclosed to the Agents or the Company and the Investor was solicited to purchase in such jurisdiction;
- (c) the subscription for the Units by the Investor does not contravene any of the applicable securities legislation in the jurisdiction in which the Investor resides and does not give rise to any obligation of the Company to: (i) prepare and file a prospectus or similar document or to register the Units (or underlying securities) or to be registered with or to file any report or notice with any governmental or regulatory authority; or (ii) be subject to any ongoing disclosure requirements under the securities legislation of such jurisdiction;
- (d) unless the Investor has separately delivered to the Company and the Agents a U.S. Representation Letter (in which case the Investor makes the representations, warranties and covenants set forth therein), the Investor:
 - (i) (A) is not in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the "**United States**"); (B) was outside of the United States at the time the buy order for the Units was originated; (C) is not subscribing for the Units for the account of a person in the United States or a U.S. Person; (D) is not subscribing for the Units for resale in the United States; and (E) was not offered the Units in the United States;
 - (ii) shall, if the Investor is a "distributor" (as defined in Regulation S) selling securities to a distributor, a dealer, or a person receiving a selling concession, fee or other remuneration, prior to the expiration of the forty-day distribution compliance period, send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a distributor; and
 - (iii) the Investor understands and agrees that the Company will refuse to register any transfer of the Units, Common Shares, Warrants and Warrant Shares not made in accordance with the provisions of Regulation S;
- (e) the Investor is aware that the Units, Common Shares, Warrants and Common Shares issuable on exercise of the Warrants (the "**Warrant Shares**") have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and that the Units, Common Shares, Warrants and Warrant Shares may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, or to or for the account or benefit of a U.S. Person 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 Common Shares and Warrants;

- (f) (i) neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner (as defined below) has been subject to or experienced any event or circumstance described in Rule 506(d)(1)(i) through (viii) of Regulation D (“**Regulation D**”) under the U.S. Securities Act, (ii) neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D, and (iii) if at any time the Investor, any beneficial purchaser, if any, or any Subscriber Beneficial Owner is deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Company’s outstanding voting equity securities as calculated under Rule 13d-3 under the United States Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”), the Investor or the beneficial purchaser (as applicable) will immediately notify the Company if the Investor, any beneficial purchaser, or a Subscriber Beneficial Owner becomes subject to or experiences any of the events or circumstances listed in Rule 506(d)(1)(i) through (viii) of Regulation D (or any successor thereto or expansion thereof) or becomes subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D. The Investor has exercised, and will exercise, reasonable care to determine whether any beneficial purchaser and Subscriber Beneficial Owner is subject to any of the events or circumstances described in this paragraph. For these purposes, “**Subscriber Beneficial Owner**” means any person who through the Investor or the beneficial purchaser (if applicable) would be deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Company’s outstanding voting equity securities as calculated under Rule 13d-3 under the U.S. Exchange Act;
- (g) the funds representing the aggregate subscription funds which will be advanced by the Investor 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 Investor acknowledges that the Company may in the future be required by law to disclose the Investor's name and other information relating to the Investor'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 Investor: (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 Investor; and (ii) it will promptly notify the Company if the Investor discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
- (h) neither the Company, the Agents, nor any of their respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Investor: (i) that any person will resell or repurchase the Common Shares or Warrants comprising the Units; (ii) that any person will refund all or any part of the subscription amount; or (iii) as to the future price or value of the Common Shares or Warrants comprising the Units;
- (i) the Investor is not purchasing the Units with knowledge of any material information concerning the Company that has not been generally disclosed. The Investor's Units are not being purchased by the Investor as a result of, nor does the Investor have knowledge of, any material fact (as defined in

securities laws, regulations and rules, and the blanket rulings and policies and written interpretations of, and multilateral or national instruments adopted by, the securities regulatory authorities in the jurisdiction in which the Investor is resident or subject to (the "**Securities Laws**") or material change (as defined in Securities Laws) concerning the Company that has not been generally disclosed and the decision of the Investor, to tender this offer and acquire the Investor's 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;

- (j) if required by applicable Securities Laws or the Company, the Investor 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;
- (k) the Company is relying on an exemption from the requirement to provide the Investor with a prospectus under the Securities Laws and, as a consequence of acquiring the Units pursuant to such exemption, the Investor may not receive information that would otherwise be required to be given under the Securities Laws;
- (l) if the Investor is:
 - (i) a corporation, the Investor 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;
 - (ii) a partnership, syndicate or other form of unincorporated organization, the Investor 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
 - (iii) an individual, the Investor 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;
- (m) the Investor is responsible for obtaining such 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 Investor is not relying on legal or tax advice provided by the Company, the Agents or their respective counsel;
- (n) the subscription for the Units and the completion of the transactions described herein by the Investor 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 Investor if the Investor is not an individual, the Securities Laws or any other laws applicable to the Investor, any agreement to which the Investor is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Investor;
- (o) the Investor has obtained all necessary consents and authorizations to enable it to agree to subscribe for the Units pursuant to the terms set out in this Offering Document and the Investor 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 Investor 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 Investor's subscription;

- (p) the Investor is purchasing the Units for investment purposes only and not with a view to resale or distribution; and
- (q) the Investor 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 Investor acknowledges that the Company and the Agents and their respective agents and advisers may each collect, use and disclose the Investor's name and other specified personally identifiable information (including his, her or 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: (a) meeting legal, regulatory, stock exchange and audit requirements and as otherwise permitted or required by law or regulation; and (b) 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 Common Shares and Warrants (underlying the Units) to be issued to the Investor. 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 Investor is deemed to be consenting to the disclosure of the Information.

By purchasing Units the Investor acknowledges: (A) that Information concerning the Investor will be disclosed to the relevant Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the Investor 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 Investor shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities.