

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

This report updates information disclosed in an earlier early warning report filed by the acquiror described herein on October 1, 2015.

Item 1 – Security and Reporting Issuer

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

Securities: Common shares (“**Common Shares**”)
Issuer: Eguana Technologies Inc. (the “**Corporation**”)
Unit 3 – 6143 4th Street SE
Calgary, Alberta
T2H 2H9

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

Not applicable.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

DHCT II Luxembourg S.à.r.l. (the “**Acquiror**”)
28 Boulevard Royal
Luxembourg, L-2449

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

On August 22, 2018, the Acquiror entered into an agreement to provide the Corporation with a \$1,300,000 secured loan facility bearing interest at a rate of 8% per annum (the “**Loan**”). As partial consideration for the Loan, the Corporation has agreed to issue to the Acquiror 1,238,095 Common Share purchase warrants (the “**Warrants**”). The Warrants are exercisable on or before August 22, 2021 at an exercise price of \$0.21 per Common Share.

2.3 State the names of any joint actors.

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

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

The Acquiror acquired the Warrants on August 22, 2018 as partial consideration for the Loan. Immediately before acquiring the Warrants, the Acquiror beneficially owned, or exercised control or direction over, (i) 58,018,920 Common Shares, representing approximately 26.4%

of the then issued and outstanding Common Shares, and (ii) Common Share purchase warrants to acquire an aggregate of 625,000 Common Shares.

Following the Acquiror's acquisition of the Warrants on August 22, 2018, the Acquiror beneficially owns, or exercises control or direction over, (i) 58,018,920 Common Shares, representing approximately 26.4% of the presently issued and outstanding Common Shares, and (ii) Common Share warrants to acquire an aggregate of 1,863,095 Common Shares. If all of the Common Share warrants that it holds were exercised, the Acquiror would beneficially own, or exercise control or direction over, an aggregate of 59,882,015 Common Shares, or approximately 27.8% of the outstanding Common Shares after giving effect to such exercise, representing an increase in its beneficial ownership or control of Common Shares of approximately 1.4%.

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

The Acquiror acquired ownership of the Warrants.

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

Not applicable.

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

See Item 3.1 above.

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

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

See Item 3.1 above.

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

Nil.

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

Nil.

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

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or

principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

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

Not applicable.

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

Not applicable.

Item 4 – Consideration Paid

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

The Warrants were issued to the Acquiror as partial consideration for the Loan.

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

See Item 4.1 above.

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

See Item 4.1 above.

Item 5 – Purpose of the Transaction

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

(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;

(b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;

(c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;

(d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;

- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Acquiror acquired the Warrants for investment purposes and may, depending on market and other conditions, increase or decrease its beneficial ownership, control or direction over securities of the Corporation through market transactions, private agreements, treasury issuances, exercise of options, convertible securities or otherwise.

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

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

An investor rights agreement was entered into on May 8, 2009 between the Acquiror and the Corporation in connection with an initial offering, and was amended on August 23, 2010, on October 19, 2011, on December 27, 2012 and on April 16, 2013 in connection with the subsequent offerings, on December 8, 2014 and on October 1, 2015 (the "**Investors Right Agreement**"), pursuant to which the Acquiror has the right to appoint one director of the Corporation and to *ex officio* membership on board of director committees and the right to approve the issuance of securities that are senior to the Common Shares. The Investors Right Agreement has been filed on SEDAR and is available at www.sedar.com under the Corporations' profile

Item 7 – Change in material fact

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

See Item 3.1 above.

Item 8 – Exemption

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

Not applicable.

Item 9 – Certification

Certificate

I, as the Acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DHCT II LUXEMBOURG S.A.R.L.

By : *(signed) « Cédric Stébel »*

Name: Cédric Stébel

Title: Authorized Signatory