



**NOWVERTICAL GROUP  
INC. TERM SHEET  
OFFERING OF UNITS**

**November ~~10~~11, 2021**

*A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the Provinces of Canada (other than Quebec). The preliminary short form prospectus is still subject to completion. Copies of the preliminary short form prospectus may be obtained from Echelon Wealth Partners Inc. at [ecm@echelonpartners.com](mailto:ecm@echelonpartners.com). There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

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**Issuer:** NowVertical Group Inc. (the "**Company**").

**Issue:** Treasury offering of units (each, a "**Unit**"), with each Unit comprised of one subordinate voting share in the capital of the Company (each, a "**Subordinate Voting Share**"), and one-half of one warrant (each whole warrant, a "**Warrant**").

**Issue Price:** C\$ ~~0.95~~ per Unit (the "**Issue Price**")

**Issue Size:** Minimum gross proceeds of C\$5,000,000 and maximum gross proceeds of ~~C\$8,000,000~~ 9,000,015 (the "**Offering**").

**Over-~~allotment~~ Option:** The Company will grant the Agent an option to increase the size of the Offering by up to 15%, exercisable in whole or in part at any time for a period of 30 days after and including the Closing Date (the "**Over-~~allotment~~ Option**").

**Warrants:** Each Warrant shall entitle the holder thereof to acquire one Subordinate Voting Share at an exercise price of C\$ ~~1.25~~ for a period of ~~24~~ months following the Closing Date.

**Form of Offering:** Overnight marketed offering of Units, subject to a formal agency agreement, including standard industry "material adverse change out", "disaster out", "regulatory out", "market out", "due diligence out" and "breach out" clauses running up to the Closing Date.

The Units will be offered (i) by way of short-~~form~~ prospectus to be filed in all of the Provinces of Canada (other than Quebec), (ii) in the United States pursuant to available exemptions from registration under the United States Securities Act of 1933, as amended, and (iii) as agreed to by the Echelon Wealth Partners Inc. and the Company, outside of Canada and the United States without: (A) giving rise to any requirement under the laws of such





jurisdiction to prepare and/or file a prospectus, registration statement or document having similar effect; or (B) creating any ongoing compliance or continuous disclosure obligations for the Company pursuant to the laws of such jurisdiction.

- Use of Proceeds:** The Company will use the net proceeds of the Offering (i) to increase its sales and marketing team, (ii) to increase its finance and operations team, (iii) for product development, (iv) for general and administrative expenses, and (v) to close potential acquisitions.
- Listing:** The Company will apply to list the Subordinate Voting Shares underlying the Units on the TSXV. Listing will be subject to the Company fulfilling all of the applicable listing requirements of the TSXV. The Company will make reasonable efforts to list the Warrants.
- Eligibility:** The Subordinate Voting Shares and Warrants shall be eligible for RRSPs, RRIFs, RDSPs, RESPs, TFSA's, and DPSPs.
- Lead Agent:** Echelon Wealth Partners Inc. (the "**Agent**").
- Agent's Fee:** The Company will pay to the Agent, on the Closing Date, a cash commission equal to 7.0% of the aggregate gross proceeds received from the sale of the Units. In addition, the Company shall issue warrants to the Agent (collectively, the "**Broker Warrants**" and each a "**Broker Warrant**") equal to 7.0% of the Subordinate Voting Shares sold in the Offering (including the Over-Allotment Option). Each Broker Warrant will entitle the holder thereof to acquire one Unit at the Issue Price for a period of 24 months following the Closing Date. The Company shall be entitled to deliver to the Agents a list of subscribers who wish to participate in the Offering (the "**Presidents List**"). With respect to subscriptions from persons on the President's List the Agent's fee shall be reduced to a cash commission equal to 3.0% and Broker Warrants equal to 3.0%, of the gross proceeds received from the subscribers on the President's List, payable on the Closing Date and/or upon the closing of the Over-Allotment Option, subject to a maximum of C\$1,000,000.
- Closing Date:** On or about December 7, 2021.



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