No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus supplement, together with the short form base shelf prospectus dated January 21, 2022, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in this prospectus supplement and the short form base shelf prospectus, as amended or supplemented, constitutes a public 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.

*The securities offered under this prospectus supplement 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 (as such term is defined in Regulation S under the U.S. Securities Act) (the "**United States**"), and may not be offered or sold within the United States, or to, or for the account or benefit of a U.S. Person (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or a person in the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This prospectus supplement 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 account or benefit of, U.S. persons.*

Information has been incorporated by reference in this prospectus supplement, and in the short form base shelf prospectus dated January 21, 2022 to which it relates, from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of NowVertical Group Inc. at 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7, Canada, by telephone at (212) 302-0868, and are also available electronically at www.sedar.com.*

PROSPECTUS SUPPLEMENT TO THE
SHORT FORM BASE SHELF PROSPECTUS DATED JANUARY 21, 2022

New Issue **September 26, 2022**

NOWVERTICAL GROUP INC.

Up to $5,000,000

10.0% Unsecured Convertible Debenture Units

PRICE: $1,000 per Convertible Debenture Unit

This prospectus supplement (the "**Prospectus Supplement**"), together with the short form shelf prospectus to which it relates dated January 21, 2022 (the "**Shelf Prospectus**"), qualifies the distribution and offering (the "**Offering**") on a commercially reasonable best-efforts basis of up to 5,000 senior unsecured convertible debenture units (the "**Debenture Units**") of NowVertical Group Inc. ("**NowVertical**" or the "**Company**") at a price of $1,000 per Debenture Unit (the "**Offering Price**") for total gross proceeds of up to $5,000,000. Each Debenture Unit will consist of one 10.0% senior unsecured convertible debenture of the Company with a principal amount of $1,000 (each a "**Convertible Debenture**") and 715 Class A subordinate voting share purchase warrants of the Company (each a "**Warrant**"). The Offering Price was determined by arm's length negotiation between the Company and Echelon Wealth Partners Inc., as sole agent and book-runner (the "**Agent**"), with reference to the prevailing market price of the Class A subordinate voting shares in the capital of the Company (the "**Subordinate Voting Shares**"). See the section entitled "*Plan of Distribution*" in this Prospectus Supplement.

The Debenture Units are being offered pursuant to the terms of an agency agreement (the "**Agency Agreement**") dated September 26, 2022 entered into between the Company and the Agent.

The Convertible Debentures will bear interest at a rate of 10.0% per annum from the date of issue, payable in cash quarterly in arrears on the last day of March, June, September, and December in each year, commencing December 31, 2022, and will mature on the date which is three years from the closing of the Offering (the "**Maturity Date**"). Interest will be computed on the basis of a 360-day year composed of twelve 30-day months. The December 31, 2022

interest payment will represent accrued interest for the period from the closing date of the Offering (the "**Closing Date**") to December 31, 2022.

The principal amount of each Convertible Debenture (the "**Principal Amount**") will be convertible, for no additional consideration, at the option of the holder, in whole or in part, into Subordinate Voting Shares (the "**Conversion Shares**"), with the exception of the Mandatory Conversion (as defined below), at any time and from time to time prior to the earlier of (i) the close of business on the Maturity Date, and (ii) the business day immediately preceding the date specified by the Company for redemption of the Convertible Debentures upon a Change of Control (as defined below), in either case, at a conversion price equal to $1.05 per share, subject to adjustment in certain events (the "**Conversion Price**"). Holders converting their Convertible Debentures will receive in cash accrued and unpaid interest thereon up to and including the date of conversion.

The Company will be entitled to force the conversion (the "**Mandatory Conversion**") of the Principal Amount of the then outstanding Convertible Debentures at the Conversion Price on not more than 60 days' and not less than 30 days' notice (i) in the event the daily volume weighted average trading price of the Subordinate Voting Shares on the TSX Venture Exchange (the "**TSXV**") is greater than $1.60 per share for the 10 consecutive trading days of the Subordinate Voting Shares on the TSXV preceding such notice, or (ii) in connection with an equity or similar financing (either qualified by a prospectus or by way of private placement) involving Subordinate Voting Shares, or warrants exercisable for Subordinate Voting Shares, resulting in aggregate gross proceeds to the Company of not less than $12,500,000 (the "**Qualified Financing**"), in each case subject to the Mandatory Conversion being permitted under the policies of the TSXV for any trading of the Subordinate Voting Shares at that time. If a Qualified Financing is completed at a price per security that is lower than the Conversion Price (with such Conversion Price being calculated, in the case of warrants, by adding the issue and exercise price for such warrants), the Conversion Price of the then-outstanding Convertible Debentures will be reduced to equal the greater of $0.10 and the closing price of the Subordinate Voting Shares on the TSXV on the date before the press release announcing the Qualified Financing is disseminated, provided that, among other things, the conditional approval of the TSXV is obtained. The Convertible Debentures will be governed by a debenture indenture (the "**Debenture Indenture**") to be entered into on the Closing Date between the Company and TSX Trust Company, as debenture trustee. See the section entitled "*Description of Securities Being Distributed*" in this Prospectus Supplement.

Each Warrant will entitle the holder thereof to purchase one Subordinate Voting Share (a "**Warrant Share**") at an exercise price equal to $1.25 (the "**Exercise Price**") for a period of 36 months following the Closing Date. The Warrants will be governed by a warrant indenture to be entered into on the Closing Date between the Company and TSX Trust Company, as warrant agent (the "**Warrant Indenture**"). See the section entitled "*Description of Securities Being Distributed*" in this Prospectus Supplement.

The Subordinate Voting Shares are listed on the TSXV under the symbol "NOW". On September 23, 2022, the last trading day prior to the filing of this Prospectus Supplement, the closing price per Subordinate Voting Share was $0.65 on the TSXV.

The Company will use commercial reasonable efforts to obtain the necessary approvals to list the Warrants, the Conversion Shares, the Warrant Shares and the Broker Shares (as defined below) on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. The Convertible Debentures will not be listed on the TSXV or any other exchange.

There is currently no market through which the Convertible Debentures or the Warrants may be sold and purchasers may not be able to resell the Convertible Debentures or the Warrants purchased under this Prospectus Supplement. This may affect the pricing of the Convertible Debentures and the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Debenture Units, the Convertible Debentures and the Warrants and the extent of issuer regulation. See the sections entitled "*Risk Factors*" in this Prospectus Supplement and the accompanying Shelf Prospectus.

	Price to Public[(1)]	**Agency Fee[(2)]**	**Net Proceeds to the Company[(2)(3)]**
Per Debenture Unit.....	$1,000	$70	$930

	Price to Public[(1)]	Agency Fee[(2)]	Net Proceeds to the Company[(2)(3)]
Total Offering[(4)]	$5,000,000	$350,000	$4,650,000

Notes:

(1) The Offering Price was determined by arm's length negotiation between the Company and the Agent with reference to the prevailing market price of the Subordinate Voting Shares.

(2) Pursuant to the Agency Agreement, the Company will pay to the Agent an aggregate cash fee equal to 7.0% of the gross proceeds raised in respect of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option (as defined below)) and the Concurrent Private Placement (as defined below) (or 3.0% of the gross proceeds from a list of eligible purchasers put forth by the Company (the "**President's List**"), subject to a maximum of $500,000) (collectively, the "**Agency Fee**"). For the purposes of this table, the Company has assumed that the maximum Offering is completed and no gross proceeds will be allocated to the President's List and has assumed there will be no Concurrent Private Placement. As additional consideration for the services rendered in connection with the Offering and the Concurrent Private Placement, the Company has agreed to issue to the Agent such number of non-transferable broker warrants (the "**Broker Warrants**") as is equal to 7.0% of the gross proceeds raised in respect of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option) and the Concurrent Private Placement (or 3.0% of the gross proceeds from the President's List, subject to a maximum of $500,000), in each case, divided by the Conversion Price. Each Broker Warrant will entitle the holder thereof to acquire one Subordinate Voting Share (a "**Broker Share**") at an exercise price of $1.25 per Broker Share for a period of 36 months following the Closing Date. This Prospectus Supplement also qualifies the distribution of the Broker Warrants. See the section entitled "*Plan of Distribution*" in this Prospectus Supplement.

(3) After deducting the Agency Fee, but before deducting the expenses of the Offering and the Concurrent Private Placement, estimated to be $250,000 (excluding taxes and disbursements), which, together with the Agency Fee, will be paid out of the gross proceeds of the Offering.

(4) The Company has granted the Agent an over-allotment option, exercisable in whole or in part, in the sole discretion of the Agent, at any time, and from time to time, on or before 5:00 p.m. (EST) on the 30th day (the "**Over-Allotment Deadline**") following the Closing Date, of an additional 15% of the aggregate number of Convertible Debentures and Warrants comprising the Debenture Units, to cover the Agent's over-allocation position, if any (the "**Over-Allotment Option**"), exercisable by the Agent in respect of: (i) additional Debenture Units (each an "**Over-Allotment Unit**" and, collectively, the "**Over-Allotment Units**") at the Offering Price, each such additional Debenture Unit comprised of one Convertible Debenture (each an "**Additional Debenture**" and, collectively, the "**Additional Debentures**") and 715 Warrants (each an "**Additional Warrant**" and, collectively, the "**Additional Warrants**"); (ii) Additional Debentures at a price of $940.65 per Additional Debenture; (iii) Additional Warrants at a price of $0.083 per Additional Warrant; or (iv) any combination of Over-Allotment Units, Additional Debentures and Additional Warrants (the "**Additional Securities**"), so long as the aggregate number of Additional Debentures and Additional Warrants which may be issued under the Over-Allotment Option (including those comprising Over-Allotment Units) does not exceed 750 Additional Debentures and 536,250 Additional Warrants. The Additional Securities will otherwise be issued on the same terms and conditions as the Offering. The Over-Allotment Option is exercisable by the Agent, giving notice to the Company prior to the Over-Allotment Deadline, which notice shall specify the number of Additional Securities to be purchased. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Agency Fee" and "Net Proceeds to the Company" will be $5,750,000, $402,500 and $5,347,500 (after deducting the Agency Fee, but before deducting the expenses of the Offering and the Concurrent Private Placement, estimated to be $250,000 (excluding taxes and disbursements)), respectively. This Prospectus Supplement qualifies the grant of the Over-Allotment Option. A purchaser who acquires the Additional Securities forming part of the Agent's over-allocation position acquires those Additional Securities under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See the section entitled "Plan of Distribution" in this Prospectus Supplement.

The following table sets out information relating to the Over-Allotment Option (assuming an exercise in full) and the Broker Warrants (in each case, assuming the Over-Allotment Option is exercised in full, and with respect to the Broker Warrants, assuming the maximum Offering and maximum Concurrent Private Placement are completed and no gross proceeds are allocated to the President's List):

Agent's Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	Up to 750 Additional Debentures and/or 536,250 Additional Warrants	For a period of 30 days from and including the Closing Date	$940.65 per Additional Debenture and $0.083 per Additional Warrant
Broker Warrants	Up to 416,666 Broker Warrants	36 months from the Closing Date	$1.25 per Broker Share

In addition to and concurrent with the Offering, the Company intends to issue up to 500 Debenture Units for gross proceeds of up to $500,000 on a private placement basis at the Offering Price, and on the same terms at which the Debenture Units are offered for sale under this Prospectus Supplement (the "**Concurrent Private Placement**"). See

"Recent Developments". This Prospectus Supplement does not qualify the Debenture Units to be issued under the Concurrent Private Placement. The anticipated net proceeds from the Offering and the Concurrent Private Placement (after deducting the Agency Fee but before payment of the expenses of the Offering and the Concurrent Private Placement and assuming the maximum Offering and maximum Concurrent Private Placement are completed) will be approximately $5,115,000 (approximately $5,812,500 if the Over-Allotment Option is exercised in full). See also "Use of Proceeds" and "Plan of Distribution".

Unless the context otherwise requires, when used herein, all references to "Offering" include the exercise of the Over-Allotment Option and all references to "Debenture Units" include the Additional Securities issuable upon exercise of the Over-Allotment Option.

An investment in the Debenture Units involves a high degree of risk and should only be made by persons who can afford the total loss of their investment. Prospective purchasers should carefully review and evaluate the risk factors described under "*Risk Factors*" in this Prospectus Supplement, the accompanying Shelf Prospectus, and in the AIF (as defined below), which can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com, before purchasing the Debenture Units. See the sections entitled "*Cautionary Statement Regarding Forward-Looking Information*" and "*Risk Factors*" in this Prospectus Supplement and the accompanying Shelf Prospectus.

Subscriptions for the Debenture Units will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. Closing of the Offering (the "**Closing**") is expected to take place on or about September 29, 2022 or such other date as the Agent and the Company may mutually agree (the "**Closing Date**"), acting reasonably. See the section entitled "*Plan of Distribution*" in this Prospectus Supplement.

In connection with the Offering, and subject to applicable laws, the Agent may over-allot or effect transactions that are intended to stabilize or maintain the market price of the Convertible Debentures, the Warrants or the Subordinate Voting Shares, as applicable, at levels other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See the sections entitled "*Plan of Distribution*" and "*Risk Factors*" in this Prospectus Supplement.

It is anticipated that the Debenture Units will be delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form. A purchaser of Debenture Units will receive only a customer confirmation from the Agent or another registered dealer from or through which the Debenture Units are purchased and who is a CDS depository service participant (a "**Participant**"). CDS will record the Participants who hold Convertible Debentures and Warrants comprising the Debenture Units on behalf of owners who have purchased Debenture Units in accordance with the book-based system. No certificates evidencing the Convertible Debentures or Warrants comprising the Debenture Units will be issued to subscribers, except in certain limited circumstances, and registration will be made in the name of the nominee of CDS. Notwithstanding the foregoing, all Debenture Units, Convertible Debentures and Warrants and any Conversion Shares or Warrant Shares, offered and sold in the United States or to or for the account or benefit of U.S. Persons who are institutional "accredited investors" as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the U.S. Securities Act (the "U.S. Accredited Investors"), and who are not "qualified institutional buyers," as such term is defined in Rule 144A under the U.S. Securities Act ("**Qualified Institutional Buyers**") will be issued in certificated, individually registered form. See the section entitled "*Plan of Distribution*" in this Prospectus Supplement.

There is no minimum amount of funds that must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the Offering amount set out above.

The Convertible Debentures are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation.

No underwriter has been involved in the preparation of the Shelf Prospectus or performed any review of the contents of this Prospectus Supplement.

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus Supplement. The Company and the Agent have not authorized anyone to provide prospective purchasers with

information different from that contained or incorporated by reference in this Prospectus Supplement. The Agent is offering to sell and seeking offers to buy the Debenture Units only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. Prospective purchasers should not assume that the information contained in this Prospectus Supplement is accurate as of any date other than the date on the cover page of this Prospectus Supplement.

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Debenture Units, Convertible Debentures, Warrants, Conversion Shares and/or Warrant Shares.

The Company has two classes of issued and outstanding shares, being the Subordinate Voting Shares and the Class B proportionate voting shares of the Company (the "**Proportionate Voting Shares**"). The Subordinate Voting Shares are "restricted securities" within the meaning of such term under applicable Canadian securities laws. The Proportionate Voting Shares and the Subordinate Voting Shares are substantially identical with the exception of the multiple voting rights and conversion rights attached to the Proportionate Voting Shares. The Subordinate Voting Shares entitle the holders to notice of and to attend at any meeting of the shareholders of the Company, except a meeting of which only holders of another particular class or series of shares of the Company have the right to vote. Each Subordinate Voting Share is entitled to one vote per Subordinate Voting Share and each Proportionate Voting Share is entitled to 100 votes per Proportionate Voting Share on all matters upon which the holders of shares are entitled to vote, and holders of Subordinate Voting Shares and Proportionate Voting Shares will vote together on all matters subject to a vote of holders of each of those classes of shares as if they were one class of shares, except to the extent that a separate vote of holders as a separate class is required by law or provided by the articles of the Company (as amended, the "**Articles**"). Each Subordinate Voting Shares is convertible at the option of the holder into such number of Proportionate Voting Shares as is determined by dividing the number of Subordinate Voting Shares being converted by 100, so long as the board of the directors of the Company (the "**Board**") has approved such conversion. Each Proportionate Voting Share is convertible into 100 Subordinate Voting Shares at any time, subject to the FPI Condition (as defined below) at the option of the holders thereof and automatically in certain other circumstances. The holders of Subordinate Voting Shares have certain conversion rights in the event of a take-over bid for the Proportionate Voting Shares. See "*Description of Share Capital*".

Certain of the Company's operations and assets are located outside of Canada, and certain of the Company's officers, directors and shareholders, reside outside of Canada. Although Daren Trousdell, chief executive officer and director of NowVertical, John Adamovich, director of NowVertical, and Aimee Lessard, David Whitmire and Cody Shankman, each officers of NowVertical, have appointed the Company located at 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7, as their agent for service of process in Canada, purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See "Enforceability of Civil Liabilities" in the Shelf Prospectus.

The Company's head and registered office is located at 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7, Canada.

The earnings coverage ratio of the Company for the year ended December 31, 2021 was negative 39 times and for the six months ended June 30, 2022 was negative 56 times, which are in each case less than one-to-one. The pro forma earnings coverage ratio of the Company for the year ended December 31, 2021 was negative 18 times and for the six months ended June 30, 2022 was negative 12 times, which are in each case less than one-to-one. See "*Earnings Coverage Ratios*" in this Prospectus Supplement.

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PROSPECTUS SUPPLEMENT

SHELF PROSPECTUS

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of the Offering and adds to and updates information contained in the accompanying Shelf Prospectus and the documents incorporated by reference therein. The second part is the Shelf Prospectus, which gives more general information, some of which may not apply to the Offering. This Prospectus Supplement is deemed to be incorporated by reference into the Shelf Prospectus solely for the purpose of the Offering. If information in this Prospectus Supplement is inconsistent with the accompanying Shelf Prospectus or the information incorporated by reference, you should rely on this Prospectus Supplement. You should read both this Prospectus Supplement and the accompanying Shelf Prospectus together.

Neither we nor the Agent have authorized anyone to provide readers with information different from that contained in this Prospectus Supplement and the accompanying Shelf Prospectus (or incorporated by reference herein or therein). We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give readers of this Prospectus Supplement and the accompanying Shelf Prospectus. If the description of the Debenture Units, Convertible Debentures, Warrants, Broker Warrants or Subordinate Voting Shares, or any other information varies between this Prospectus Supplement and the accompanying Shelf Prospectus (including the documents incorporated by reference herein and therein), you should rely on the information in this Prospectus Supplement. The Debenture Units, Convertible Debentures, Warrants and Broker Warrants are not being offered in any jurisdiction where the offer or sale is not permitted.

Readers should not assume that the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Shelf Prospectus is accurate as of any date other than the date of this Prospectus Supplement and the accompanying Shelf Prospectus or the respective dates of the documents incorporated by reference herein or therein, unless otherwise noted herein or as required by law. It should be assumed that the information appearing in this Prospectus Supplement, the accompanying Shelf Prospectus and the documents incorporated by reference herein and therein are accurate only as of their respective dates. The business, financial condition, results of operations and prospects of the Company may have changed since those dates.

This Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering. We do not undertake to update the information contained or incorporated by reference herein or in the Shelf Prospectus, except as required by applicable securities laws. Information contained on, or otherwise accessed through, our website shall not be deemed to be a part of this Prospectus Supplement or the accompanying Shelf Prospectus and such information is not incorporated by reference herein or therein.

Unless the context otherwise requires, any references in this Prospectus Supplement to the "Company", "NowVertical", "we", "our" or "us" refer, collectively, to NowVertical Group Inc. and its wholly owned subsidiaries.

CAUTIONARY NOTE REGARDING NON-IFRS MEASURES

This Prospectus Supplement and the documents incorporated by reference herein make reference to certain measures that are not recognized measures under International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. These measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this Prospectus Supplement and the documents incorporated by reference herein may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

The Company uses non-IFRS financial measures including "Pro Forma TTM Adjusted Revenue", "Adjusted Revenue", "EBITDA" and "Adjusted EBITDA". Pro Forma TTM Adjusted Revenue is a supplemental measure intended to portray the impact of the Company's acquisitive growth strategy being employed by management to execute its business plan. Adjusted Revenue, EBITDA and Adjusted EBITDA provide investors with supplemental measures of the Company's historical operating performance without regard to potential distortions by adjusting for items that are not directly related to the Company's operating performance or operating conditions and thus highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS measures. The Company

believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period and to prepare annual budgets and forecasts. These non-IFRS measures are defined below:

"**Pro Forma TTM Adjusted Revenue**" represents the trailing twelve months of Adjusted Revenue of all acquisitions completed as of the end of the respective period presented.

"**Adjusted Revenue**" adjusts revenue to eliminate the effects of acquisition accounting on the Company's revenues.

"**EBITDA**" represents net income (loss) before depreciation and amortization expenses, net interest costs, and provision for income taxes.

"**Adjusted EBITDA**" adjusts EBITDA for revenue adjustments in "Adjusted Revenue" and items such as acquisition accounting adjustments, transaction expenses related to acquisitions, transactional gains or losses on assets, asset impairment charges, non-recurring expense items, non-cash stock compensation costs, and the full year impact of cost synergies related to the reduction of employees.

For a reconciliation of Adjusted Revenue to Revenue and a reconciliation of Adjusted EBITDA to net loss, see "Reconciliation of Adjusted Revenue and Adjusted EBITDA" in the Interim MD&A.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This Prospectus Supplement contains certain statements, which may constitute "forward-looking information" within the meaning of Canadian securities law requirements ("**forward-looking statements**"). These forward-looking statements are made as of the date of this Prospectus Supplement and the Company undertakes no obligation to update any forward-looking statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments, except as required by applicable securities laws. Information regarding the Company's expectations of future results, performance, achievements, prospects or opportunities or the markets in which it operates is forward-looking information. All statements in this Prospectus Supplement, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements can generally, but not always, be identified by the words, "believes", "anticipates", "estimates", "plans", "intends", "expects", "predicts", "forecast", "seek", or "likely", or the negative of these terms, or other similar expressions, events or conditions that "will", "would", "may", "could" or "should" occur. Management has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect the Company's financial condition, results of operations, business strategy and financial needs.

Such information and statements are, however, by their very nature, subject to inherent risks and uncertainties, of which many are beyond the control of management, and which give rise to the possibility that actual results could differ materially from the expectations expressed in, or implied by, such forward-looking information or forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. Certain forward-looking statements in this Prospectus Supplement and the documents incorporated by reference herein include, but are not limited to, statements relating to:

- completion of the Offering and the Concurrent Private Placement on the terms described in this Prospectus Supplement;
- expectations regarding revenue, expenses and operations;
- anticipated cash needs and needs for additional financing;
- business strategy and future growth plans;
- ability to attract and retain personnel; and
- competitive position and its expectations regarding competition.

The above, and other aspects of the Company's anticipated future operations, are forward-looking in nature and as a result, are subject to certain risks and uncertainties. All forward-looking statements contained in this Prospectus

Supplement and the documents incorporated by reference herein are based on certain assumptions and analyses made in light of management's experience and perception of historical trends, current conditions, expected future developments and other factors management believes are appropriate. Although management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under the "*Risk Factors*" section of this Prospectus Supplement, which factors should not be considered exhaustive and should be read together with the other cautionary statements in this Prospectus Supplement and the documents incorporated by reference herein. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements. In particular, management has made assumptions regarding, among other things:

- general economic conditions;
- the legislative and regulatory environment;
- the impact of increasing competition;
- fluctuation of operating results from quarter to quarter and year to year due to numerous external factors;
- uncertainty as to the Company's ability to raise additional capital to support its ongoing obligations;
- the Company's ability to access additional funding;
- the fluctuation of foreign exchange rates;
- the duration of COVID-19 and the extent of its economic and social impact;
- reliance upon industry publications as primary sources for third-party industry data and forecasts;
- the Company's reliance on the capabilities and experience of its key executives and the resulting loss of any of these individuals;
- the Company's ability to adequately protect intellectual property and trade secrets;
- the risk of litigation; and
- the risk of unforeseen changes to the laws or regulations in the United States and Canada and other jurisdictions in which the Company operates.

Although management bases these forward-looking statements on assumptions that it believes are reasonable when made, the Company cautions readers that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus Supplement. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this Prospectus Supplement, those results or developments may not be indicative of results or developments in subsequent periods.

The foregoing list is not exhaustive of all the factors that could affect the Company. The forward-looking statements contained in this Prospectus Supplement, including the documents incorporated by reference herein, are expressly qualified by this cautionary statement. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

Certain statements included in this Prospectus Supplement and the documents incorporated by reference herein may be considered a "financial outlook" for purposes of applicable Canadian securities laws, and as such, the financial outlook may not be appropriate for purposes other than this Prospectus Supplement. All forward-looking statements are made as of the date of this Prospectus Supplement or the documents incorporated by reference herein, as applicable. Except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All forward-looking statements in this Prospectus Supplement and in the documents incorporated by reference herein are qualified by these cautionary statements.

CURRENCY PRESENTATION AND EXCHANGE RATES

Unless the context otherwise requires, all references to "$", "C$" and "dollars" mean references to the lawful money of Canada. All references to "US$" refer to United States dollars.

On September 23, 2022, the daily average exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US$1.00 = $1.3570.

ELIGIBILITY FOR INVESTMENT

In the opinion of Goodmans LLP, counsel to the Company, and Dickinson Wright LLP, counsel to the Agent, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") as of the date hereof, the Convertible Debentures, the Warrants, the Warrant Shares and the Conversion Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans and tax-free savings accounts, each as defined in the Tax Act (collectively "**Registered Plans**") and trusts governed by deferred profit sharing plans (except, in the case of the Convertible Debentures, a deferred profit sharing plan to which the Company, or an employer that does not deal at arm's length with the Company, has made a contribution), provided that:

(i) in the case of Convertible Debentures, either (a) the Convertible Debentures are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV), or (b) the Subordinate Voting Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV);

(ii) in the case of Warrants, either (a) the Warrants are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV), or (b) the Subordinate Voting Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) and the Company is not, and deals at arm's length with each person who is, an annuitant, beneficiary, employer or subscriber under, or holder of, the Registered Plan or deferred profit sharing plan; and

(iii) in the case of Warrant Shares and Conversion Shares, the Subordinate Voting Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV).

Notwithstanding the foregoing, holders, annuitants or subscribers of Registered Plans (each a "**Controlling Individual**") will be subject to a penalty tax in respect of the Convertible Debentures, Warrants, Warrant Shares or Conversion Shares held in a trust governed by a Registered Plan if such Convertible Debentures, Warrants, Warrant Shares or Conversion Shares, as the case may be, are a "prohibited investment" under the Tax Act for the particular Registered Plan. Convertible Debentures, Warrants, Warrant Shares or Conversion Shares will generally not be a "prohibited investment" for a Registered Plan unless the Controlling Individual of the Registered Plan (i) does not deal at arm's length with the Company for purposes of the Tax Act or (ii) has a "significant interest", as defined in the Tax Act, in the Company. However, Warrant Shares and Conversion Shares will not be a "prohibited investment" if such securities are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by a Registered Plan.

Persons who intend to hold Convertible Debentures, Warrants, Warrant Shares or Conversion Shares in a Registered Plan, should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Shelf Prospectus as of the date hereof and only for the purposes of the Offering. The documents incorporated by reference into this Prospectus Supplement supersede the documents incorporated by reference into the Shelf Prospectus as discussed further below.

Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada, except Québec. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of NowVertical Group Inc. at 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7, Canada, by telephone at (212) 302-0868, and are also available electronically at www.sedar.com.

The following documents, filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada, except Québec, are specifically incorporated by reference, and form an integral part of, this Prospectus Supplement and the accompanying Shelf Prospectus:

(a) the annual information form of the Company dated September 26, 2022 for the year ended December 31, 2021 (the "**AIF**");

(b) the audited consolidated financial statements of the Company for the year ended December 31, 2021 and for the period from September 22, 2020 (date of inception) to December 31, 2020, together with the notes thereto and the independent auditor's report thereon (the "**Annual Financial Statements**");

(c) the management's discussion and analysis of the results of operations and financial position of the Company for the year ended December 31, 2021 (the "**Annual MD&A**");

(d) the unaudited condensed consolidated interim financial statements of the Company and the accompanying notes thereto for the three and six months ended June 30, 2022 (the "**Interim Financial Statements**");

(e) the management's discussion and analysis of the results of operations and financial position of the Company for the three and six months ended June 30, 2022 and 2021 (the "**Interim MD&A**");

(f) the material change report of the Company dated January 17, 2022 with respect to the announcement of the definitive agreement in connection with the Company's acquisition of CoreBI S.A. and CoreBI S.A.S.;

(g) the material change report of the Company dated January 17, 2022 with respect to the announcement of the definitive agreement in connection with the Company's acquisition of Allegient Defense, Inc.;

(h) the management information circular of the Company dated June 3, 2022 in connection with the annual meeting of shareholders held on July 13, 2022 (the "**Management Information Circular**");

(i) the template version (as defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**") of the investor presentation entitled "Creating Vertically Intelligent Organizations" dated September 21, 2022, filed on SEDAR in connection with this Offering (the "**Investor Presentation**"); and

(j) the template version (as defined in NI 41-101) of the indicative term sheet dated September 21, 2022, filed on SEDAR in connection with this Offering (the "**Term Sheet**"); and

(k) the template version (as defined in NI 41-101) of the final term sheet dated September 22, 2022, filed on SEDAR in connection with this Offering (the "**Final Term Sheet**", and together with the Investor Presentation and the Term Sheet, the "**Marketing Materials**").

Any documents of the types referred to in the preceding paragraphs (a) through (k) or required by Item 11.1 of Form 44-101F1 – *Short Form Prospectus*, filed by the Company with a securities commission or similar regulatory authority pursuant to the requirements of applicable securities legislation after the date of this Prospectus Supplement and prior to the completion of the Offering shall be deemed to be incorporated by reference into this Prospectus Supplement for the purposes of the Offering. Documents referenced in any of the documents incorporated by reference in this

Prospectus Supplement but not expressly incorporated by reference therein or herein and not otherwise required to be incorporated by reference therein or in this Prospectus Supplement are not incorporated by reference in this Prospectus Supplement. These documents are available through the internet on SEDAR which can be accessed at www.sedar.com.

The following documents incorporated by reference into the Shelf Prospectus have not been incorporated by reference into, and do not form a part of, this Prospectus Supplement since such documents have been superseded by subsequently filed documents that are incorporated by reference in this Prospectus Supplement, including (i) the Annual Financial Statements, (ii) the Annual MD&A, (iii) the Interim Financial Statements, (iv) the Interim MD&A, (v) the Management Information Circular and (vi) the AIF, as applicable:

(a) the audited consolidated financial statements of the Company for the period from September 22, 2020 to December 31, 2020, together with the auditors' report thereon as appended to the filing statement filed in respect of the Company's qualifying transaction (the "**QT**") dated June 21, 2021 (the "**Filing Statement**");

(b) the management's discussion and analysis of the results of operations and financial position of the Company for the period from September 22, 2020 to December 31, 2020, as appended to the Filing Statement;

(c) the audited annual financial statements of Good2Go Corp. ("**G2G**"), the capital pool corporation that amalgamated with the Company in connection with the QT, as at and for the years ended February 28, 2021 and February 29, 2020, including the auditor's report thereon, as appended to the Filing Statement;

(d) the management's discussion and analysis of the results of operations and financial position of G2G for the years ended February 28, 2021 and February 29, 2020, as appended to the Filing Statement;

(e) the audited financial statements of Seafront Analytics, LLC ("**Seafront**") as of November 13, 2020 and December 31, 2019 and for the periods from January 1, 2020 to November 13, 2020 and July 12, 2019 (date of inception) to December 31, 2019, including the auditor's report thereon, as appended to the Filing Statement;

(f) the management's discussion and analysis of the results of operations and financial position of Seafront as of November 13, 2020 and December 31, 2019 and for the periods from January 1, 2020 to November 13, 2020 and July 12, 2019 (date of inception) to December 31, 2019, as appended to the Filing Statement;

(g) the audited financial statements of Signafire Technologies Inc. ("**Signafire**") as of November 20, 2020, December 31, 2019 and January 1, 2019 and for the period from January 1, 2020 to November 20, 2020 and the year ended December 31, 2019, including the auditor's report thereon, as appended to the Filing Statement;

(h) the management's discussion and analysis of the results of operations and financial position of Signafire as of November 20, 2020, December 31, 2019 and January 1, 2019 and for the period from January 1, 2020 to November 20, 2020 and the year ended December 31, 2019, as appended to the Filing Statement;

(i) the unaudited interim condensed consolidated financial statements of the Company as of and for the three and nine months ended September 30, 2021;

(j) the management's discussion and analysis of the Company for the three and nine months ended September 30, 2021;

(k) the material change report of the Company dated December 23, 2021 in connection with closing of its marketed offering of units (the "**Unit Offering**");

(l) the material change report of the Company dated November 11, 2021 in connection with the announcement of its Unit Offering;

(m) the material change report of the Company dated October 21, 2021 with respect to the announcement of the definitive agreement in connection with the Company's acquisition of Affinio Inc. ("**Affinio**");

(n) the material change report of the Company dated July 6, 2021 with respect to the completion of the QT;

(o) the material change report of the Company dated March 23, 2021 with respect to the announcement of the definitive agreement in connection with the QT;

(p) the material change report of G2G dated February 15, 2021 with respect to the termination of its proposed business combination with Magical Brands Inc.;

(q) the management information circular of the Company dated March 30, 2021 in connection with the annual and special meeting of shareholders of G2G; and

(r) the sections titled "Information Concerning NowVertical Group, Inc." and "Information Concerning the Resulting Issuer" which are included in the Filing Statement.

Any statement contained in the Shelf Prospectus or this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference into the Shelf Prospectus or this Prospectus Supplement shall be deemed to be modified or superseded for purposes of the Shelf Prospectus or this Prospectus Supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference into the Shelf Prospectus or this Prospectus Supplement modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of the Shelf Prospectus or this Prospectus Supplement.

MARKETING MATERIALS

The Marketing Materials are not part of this Prospectus Supplement or the Shelf Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus Supplement or any amendment. Any template version of any marketing materials that has been, or will be, filed on SEDAR after the date of this Prospectus Supplement and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference into this Prospectus Supplement.

RECENT DEVELOPMENTS

There have been no material developments in the business of the Company since June 30, 2022, the date of the Interim Financial Statements, which have not been disclosed in this Prospectus Supplement or the documents incorporated by reference herein, other than as set forth below:

- On July 20, 2022, the Company acquired 100% of the issued and outstanding securities of Resonant Analytics LLC ("**Resonant**"), a U.S.-based guided solutions marketing analytics firm providing CRM program strategy, database marketing and business intelligence solutions to Fortune 500 companies (the "**Recent Acquisition**"). See "Acquisition Completed Subsequent to June 30, 2022" in the Interim MD&A for further details.

- On September 22, 2022, the Company announced the Concurrent Private Placement. Subject to obtaining regulatory approval, the closing of the Concurrent Private Placement is expected to occur concurrently with the closing of the Offering. This Prospectus Supplement does not qualify the Debenture Units to be issued under the Concurrent Private Placement. See "Risk Factors".

CONSOLIDATED CAPITALIZATION

Other than (i) 23,705 Proportionate Voting Shares converted to 2,370,500 Subordinate Voting Shares on July 5, 2022 in connection with an escrow release, (ii) 758,333 Subordinate Voting Shares issued on July 20, 2022 on closing of the Recent Acquisition, (iii) 1,561,298 Subordinate Voting Shares issued to the vendors from the Company's acquisition of Affinio on August 31, 2022 in connection with an amendment to the definitive agreement in respect thereto, and (iv) the issuance of 515,000 options to acquire Subordinate Voting Shares (the "**Options**" and, collectively (i)-(iv) the "**Consolidated Changes**") there have been no material changes in the share and loan capital of the Company since June 30, 2022, the date of the Interim Financial Statements.

The following table sets out the consolidated capitalization of the Company as at (i) June 30, 2022, (ii) as at June 30, 2022, after giving effect to the Consolidated Changes, and the Offering, but without giving effect to the use of proceeds therefrom and assuming no exercise of the Over-Allotment Option**,** and (iii) as at June 30, 2022, after giving effect to the Consolidated Changes, the Offering and the Concurrent Private Placement, but without giving effect to the use of proceeds therefrom and assuming no exercise of the Over-Allotment Option. The following table should be read in conjunction with the Interim Financial Statements and the Interim MD&A, each of which is incorporated by reference into this Prospectus Supplement:

	As at June 30, 2022	**As at June 30, 2022 after giving effect to the Consolidated Changes and the Offering**	**As at June 30, 2022 after giving effect to the Consolidated Changes, the Offering, and the Concurrent Private Placement**
Share capital:			
Subordinate Voting Shares (unlimited)	37,891,522	42,581,650	42,581,650
Proportionate Voting Shares[(1)] (unlimited)	247,566	223,651	223,651
Options	4,347,493	4,862,493	4,862,493
Compensation Warrants[(2)]	587,580	587,580	587,580
Convertible Note Compensation Warrants[(3)]	257,586	257,586	257,586
Warrants	5,447,378	9,022,378	9,379,878
Broker Warrants	1,143,949	1,477,282	1,510,615
Loan Capital:			
Convertible Debentures (in C$)	Nil	5,000,000	5,500,000

(1) Reflects 210 Proportionate Voting Shares that were cancelled on June 16, 2022.
(2) Issued by NVG Canada Finco, Inc., a wholly-owned subsidiary of the Company.
(3) Issued to Echelon and Haywood Securities Inc. in connection with a convertible note financing prior to the QT.

USE OF PROCEEDS

The estimated net proceeds received by the Company from the Offering and the Concurrent Private Placement will be $4,865,000, after deducting the Agency Fee (assuming no President's List purchasers) and the estimated expenses of the Offering and the Concurrent Private Placement (estimated to be $250,000), assuming the maximum Offering and maximum Concurrent Private Placement and no exercise of the Over-Allotment Option. The net proceeds of the Offering and the Concurrent Private Placement are currently intended to be used for deferred payments related to acquisitions, working capital and general corporate purposes in accordance with the table set out below.

Use of Proceeds	Approximate Amount Assuming Closing of the Offering (C$)	Approximate Amount Assuming Full Exercise of Over-Allotment Option (C$)
Deferred Payments	$1,013,514	$1,013,514
Working Capital	$2,027,027	$2,027,027
General Corporate	$1,824,459	$2,521,959
Total	**$4,865,000**	**$5,562,500**

If the Over-Allotment Option is exercised in full, the Company will receive additional net proceeds of $697,500 after deducting the Agency Fee (assuming no President's List purchasers). The net proceeds from the exercise of the Over-Allotment Option, if any, are intended to be used for deferred payments related to acquisitions, working capital and general corporate purposes.

While the Company currently anticipates that it will use the net proceeds of the Offering and the Concurrent Private Placement as set forth above, the Company may re-allocate the net proceeds of the Offering and the Concurrent Private Placement, as applicable from time to time, giving consideration to its strategy relative to the market, development and changes in the industry and regulatory landscape, as well as other conditions relevant at the applicable time. Until utilized, the net proceeds of the Offering and the Concurrent Private Placement will be held in cash balances in the Company's bank account or invested at the discretion of the Board. Management will have discretion concerning the use of the net proceeds of the Offering and the Concurrent Private Placement, as well as the timing of their expenditure. See the sections entitled "*Risk Factors*" in this Prospectus Supplement and the accompanying Shelf Prospectus.

EARNINGS COVERAGE RATIOS

The following earnings coverage ratios and adjusted earnings coverage ratios are calculated on a consolidated basis for the year ended December 31, 2021 and the six months ended June 30, 2022 and are derived from the Annual Financial Statements and the Interim Financial Statements incorporated by reference in this Prospectus Supplement.

The Company's interest requirements amounted to US$347,744 and US$64,804 for the year ended December 31, 2021 and the six month period ended June 30, 2022, respectively. The Company's loss before interest expense and income tax expense was US$13.6 million and US$3.6 million for the year ended December 31, 2021 and the six month period ended June 30, 2022, respectively, resulting in a coverage ratio of negative 39 times and negative 56 times the Company's borrowing cost requirements for the year ended December 31, 2021 and the six months ended June 30, 2022, respectively.

The Company's pro forma interest requirements, after giving effect to the issue of the Convertible Debentures partially comprising the Debenture Units pursuant to the Offering (assuming the issuance of the maximum number of Debenture Units and excluding any exercise, in whole or in part, of the Over-Allotment Option and the Concurrent Private Placement, and including the impact of the issuance of all financial liabilities since December 31, 2021 and excluding interest income earned on cash received) would have been US$746,627 and US$264,246 for the year ended December 31, 2021 and the six months ended June 30, 2022, respectively.

The Company's pro forma losses before interest expense and income tax expense would have amounted to US$13.6 million and US$3.1 million for the year ended December 31, 2021 and the six months ended June 30, 2022,

respectively, resulting in a coverage ratio of negative 18 times and negative 12 times the Company's borrowing cost requirements for the year ended December 31, 2021 and the six months ended June 30, 2022, respectively.

For purposes of the pro forma calculations above, interest expense has been calculated assuming the Convertible Debentures are accounted for in their entirety as debt, and utilizing an average foreign exchange rate over the applicable period in respect of Canadian dollar denominated expenses.

PLAN OF DISTRIBUTION

General

Pursuant to the Agency Agreement, the Company will agree to retain the Agent to (i) offer for sale to the public on a commercially reasonable "best efforts" agency basis without underwriter liability, in all of the provinces of Canada, except Québec, subject to prior sale, if, as and when issued by the Company, up to 5,000 Debenture Units for aggregate gross proceeds of up to $5,000,000 at a price of $1,000 per Debenture Unit, subject to compliance with all necessary legal requirements and to the conditions contained in the Agency Agreement (up to an additional $750,000 in aggregate principal amount of Convertible Debentures and 536,250 Warrants comprising 750 Debenture Units if the Over-Allotment Option is exercised in full) and (ii) offer for sale on a private placement and commercially reasonable "best efforts" agency basis without underwriter liability in Québec up to 500 Debenture Units for aggregate gross proceeds of up to $500,000 at a price of $1,000 per Debenture Unit, subject to compliance with all necessary legal requirements and to the conditions contained in the Agency Agreement.

The Agent will offer for sale on behalf of the Company, as agent, and, pursuant to the terms of the Agency Agreement, and the Company will sell on the Closing Date, up to 5,000 Debenture Units in respect of the Offering (or up to 5,750 Debenture Units if the Over-Allotment Option is exercised in full) at the Offering Price, for aggregate gross consideration of $5,000,000 (or up to $5,750,000 if the Over-Allotment is exercised in full). The terms of the Offering, including the Offering Price, have been determined by negotiation between the Company and the Agent with reference to the prevailing market price of the Subordinate Voting Shares. The obligations of the Agent under the Agency Agreement are subject to certain closing conditions and may be terminated at its discretion on the basis of "material change out", "disaster out", "regulatory proceedings out", "market out", "breach out" and "due diligence out" provisions in the Agency Agreement and may also be terminated upon the occurrence of certain other stated events. The Agent is not obligated to purchase any Debenture Units under the Agency Agreement. Pursuant to the terms of the Agency Agreement, the Agent has the right to form a syndicate consisting of other licensed dealers, brokers, and investment dealers acceptable to the Company, acting reasonably, with compensation to be negotiated between the Agent and such selling group participants, but at no additional cost to the Company.

The Company has agreed to the Over-Allotment Option, exercisable in whole or in part, in the sole discretion of the Agents, at any time, and from time to time, until the Over-Allotment Deadline, of up to: (i) 750 Over-Allotment Units at the Offering Price, each Over-Allotment Unit comprised of one Additional Debenture and 715 Additional Warrants; (ii) Additional Debentures at a price of $940.65 per Additional Debenture; (iii) Additional Warrants at a price of $0.083 per Additional Warrant; or (iv) any combination of Over-Allotment Units, Additional Debentures and Additional Warrant, so long as the aggregate number of Additional Debentures and Additional Warrants which may be issued under the Over-Allotment Option (including those comprising Over-Allotment Units) does not exceed 750 Additional Debentures and 536,250 Additional Warrants. The Over-Allotment Option represents an option to acquire up to 15% of the Convertible Debentures and/or or the Warrants comprising the Debenture Units offered pursuant to the Offering. This Prospectus Supplement qualifies the grant of the Over-Allotment Option. A purchaser who acquires Additional Securities forming part of the Agent's over allocation position acquires those Additional Securities under this Prospectus Supplement, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Agent exercises the Over-Allotment Option in full, the total price to the public relating to the Offering, the Agency Fee and the net proceeds to the Company before deducting the expenses of the Offering and the Concurrent Private Placement will be $5,750,000, $402,500 and $5,347,500, respectively.

The Agency Agreement provides that the Company will pay, on closing of the Offering and the Concurrent Private Placement, the Agency Fee equal to 7.0% of gross proceeds raised in respect of the Offering and the Concurrent Private Placement (or 3.0% of the gross proceeds from President's List, subject to a maximum of $500,000) (including any gross proceeds raised on exercise of the Over-Allotment Option). The aggregate Agency Fee payable to the Agent

by the Company in consideration for its services in connection with the Offering is expected to be $350,000 (assuming the maximum Offering, no exercise of the Over-Allotment Option, no Concurrent Private Placement and no allocation of proceeds to the President's List). As additional consideration for the services rendered in connection with the Offering and the Concurrent Private Placement, the Company has agreed to issue to the Agent such number of Broker Warrants as is equal to 7.0% of the gross proceeds raised in the Offering and the Concurrent Private Placement (or 3.0% with respect to President's List purchasers, subject to a maximum of $500,000) (including any gross proceeds raised on exercise of the Over-Allotment Option), in each case, divided by the Conversion Price. Each Broker Warrant will entitle the holder thereof to acquire one Broker Share at an exercise price of $1.25 per Broker Share for a period of 36 months following the Closing Date.

No minimum amount of funds must be raised under the Offering. This means that the Company could complete the Offering after raising only a small proportion of the Offering amount set out above.

The Offering is being made in each of the provinces of Canada except Québec and the Concurrent Private Placement is being made in Québec. The Debenture Units will be offered through the Agent or its affiliates who are registered to offer the Debenture Units for sale in such provinces and such other registered dealers as may be designated by the Agent. Subject to applicable law, the Agent may offer the Debenture Units in the United States and such other jurisdictions outside of Canada and the United States, on a private placement or equivalent basis in accordance with applicable laws, provided that such laws permit offers and sales of the Debenture Units on a private placement basis. If requested by the Agent, the Company will also prepare and make available to the Agent a prospectus "wrapper" prepared in accordance with applicable laws for delivery to private placement purchasers under the Offering resident in the United States pursuant to Rule 144A or to Institutional Accredited Investors pursuant to Regulation D of the U.S. Securities Act, as amended, provided that no prospectus filing or registration requirement or comparable obligation arises in such jurisdiction.

The Company will give notice to the TSXV to list the Warrants, the Conversion Shares, the Warrant Shares and the Broker Shares issuable pursuant to the Offering. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. The Convertible Debentures will not be listed on the TSXV or any other exchange.

Under the Agency Agreement, the Company will indemnify and hold harmless each of the Agent and its affiliates and subsidiaries, and their respective directors, officers, partners, agents, employees, and each other person, if any, controlling the Agent or its subsidiaries and affiliates against certain liabilities, including civil liabilities under Canadian securities legislation, and to contribute to payments the Agent may be required to make in respect thereof.

The Company has agreed that, for a period commencing on the Closing Date and ending 120 days after the Closing Date, it will not, without the prior written consent of the Agent, issue, agree to issue, or announce an intention to issue any equity securities of the Company or any securities convertible into or exchangeable for equity securities of the Company other than in connection with: (i) the exchange, transfer, conversion or exercise rights of existing outstanding securities; (ii) the issuance of awards or other incentive under the Company's omnibus equity incentive plan; (iii) existing commitments to issue securities; (iv) an arm's length acquisition (including to acquire assets or intellectual property rights); or (v) under the Offering or the Concurrent Private Placement. The Company has also agreed that it will use its commercially reasonable best efforts to cause its executive officers and directors to execute an undertaking (in a form satisfactory to the Agent, acting reasonably) in favour of the Agent that such executive officer or director will not, directly or indirectly, for a period commencing on the Closing Date and ending 120 days after the Closing Date, offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, any equity securities of the Company or other securities convertible or exchangeable into equity securities of the Company, unless (a) they first obtain the prior consent of the Agent, such consent not to be unreasonably withheld, conditioned or delayed, or (b) there occurs a take-over bid, arrangement or similar transaction involving the acquisition of the Company.

The Agent and its affiliates have performed investment banking, commercial banking and advisory services for the Company from time to time for which it has received customary fees and expenses. The Agent and its affiliates may, from time to time, engage in transactions with and perform services for the Company in the ordinary course of their business.

The Offering is being made in each of the provinces of Canada other than Québec. The Debenture Units, Convertible Debentures, Conversion Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person, unless pursuant to an exemption to the registration requirements of such laws. Accordingly, the Agent has agreed that it will not offer, sell or deliver the Debenture Units, Convertible Debentures, Conversion Shares, Warrants or Warrant Shares within the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

This Prospectus Supplement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities to, or for the account or benefit of, a person in the United States or a U.S. Person. In addition, until 40 days after commencement of the Offering, an offer or sale of the Debenture Units, Convertible Debentures and Warrants within the United States by any dealer (whether or not participating in the Offering) may violate the registration provisions of the U.S. Securities Act unless such offer is made pursuant to an exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities laws.

There is currently no market through which the Convertible Debentures or the Warrants may be sold and purchasers may not be able to resell the Convertible Debentures or the Warrants purchased under this Prospectus Supplement.

Subscriptions for the Debenture Units will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. Closing of the Offering and the Concurrent Private Placement is expected to take place on the Closing Date, or such other date as the Company and the Agent may agree.

It is anticipated that the Convertible Debentures and Warrants comprising the Debenture Units will be delivered under the book-based system through CDS or its nominee and deposited in electronic form, or will otherwise be delivered to the Agent registered as directed by the Agent, on the Closing Date. Except in limited circumstances, a purchaser of Debenture Units will receive only a customer confirmation from the registered dealer from or through which the Debenture Units are purchased and who is a Participant. CDS will record the Participants who hold Convertible Debentures and Warrants comprising the Debenture Units on behalf of owners who have purchased Debenture Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. Notwithstanding the foregoing, all Convertible Debentures, any Conversion Shares, all Warrants and any Warrant Shares, offered and sold in the United States or to or for the account or benefit of U.S. Persons who are Institutional Accredited Investors, and who are not otherwise Qualified Institutional Buyers, will be issued in certificated, individually registered form.

Price Stabilization and Passive Market-Making

In connection with the Offering and subject to applicable laws, the Agent may over-allot or effect transactions that stabilize or maintain the market price of the Convertible Debentures, the Warrants or Subordinate Voting Shares, as applicable, at a level other than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. The Agent may carry out these transactions on the TSXV, in the over-the-counter market or otherwise.

Pursuant to policy statements of certain securities regulators, the Agent may not, throughout the period of distribution, bid for or purchase Subordinate Voting Shares. The foregoing restriction is subject to certain exceptions including: (i) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, (ii) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period.

As a result of these activities, the price of the Convertible Debentures, the Warrants or the Subordinate Voting Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they

may be discontinued by the Agent at any time. The Agent may carry out these transactions on any stock exchange on which the Warrants and Subordinate Voting Shares are listed, in the over-the-counter market, or as otherwise permitted by applicable law.

DESCRIPTION OF SHARE CAPITAL

The authorized capital of the Company consists of (i) an unlimited number of Subordinate Voting Shares without par value and (ii) an unlimited number of Proportionate Voting Shares without par value, which are convertible into Subordinate Voting Shares on a 1-for-100 basis. The Subordinate Voting Shares and the Proportionate Voting Shares are collectively referred to as the "**Shares**". As of the date of this Prospectus Supplement, the following securities are issued and outstanding: (i) 42,581,650 Subordinate Voting Shares (of which 4,365,275 are issuable upon the settlement of restricted share units, (ii) 223,651 Proportionate Voting Shares, convertible, subject to adjustment, into 22,365,100 Subordinate Voting Shares, (iii) 4,862,493 options to purchase 4,862,493 Subordinate Voting Shares, and (iv) 7,436,493 Warrants exercisable into 7,436,493 Subordinate Voting Shares.

As of the date hereof, the Subordinate Voting Shares represent approximately 65.6% of the voting rights attached to outstanding securities of the Company and the Proportionate Voting Shares represent approximately 34.4% of the voting rights attached to outstanding securities of the Company. If the Proportionate Voting Shares were converted as of the date hereof, an aggregate of 64,946,750 Subordinate Voting Shares would be issued and outstanding and no Proportionate Voting Shares would be issued and outstanding. Approximately 84.8% of the Proportionate Voting Shares are owned by management of the Company, and the remaining 15.2% are owned by non-management shareholders of the Company.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of Debenture Units offered at the Offering Price of $1,000 per Debenture Unit. Each Debenture Unit will consist of one Convertible Debenture in the principal amount of $1,000 and 715 Warrants.

Convertible Debentures

The Convertible Debentures will be issued under and governed by the Debenture Indenture to be entered into between the Company and TSX Trust Company, as debenture trustee (the "**Trustee**"). The aggregate principal amount of the Convertible Debentures authorized for issue will be limited to the aggregate principal amount of $6,250,000 (including Convertible Debentures issuable upon exercise of the Over-Allotment Option and pursuant to the Concurrent Private Placement). The Convertible Debentures will be dated as at the Closing Date and will be issuable only in denominations of $1,000 and integral multiples thereof.

The Convertible Debentures will mature on the Maturity Date. The Convertible Debentures will bear interest from the date of issue at 10.0% per annum, which will be payable in cash quarterly in arrears on the last day of March, June, September and December in each year (the "**Interest Payment Dates**"), commencing on December 31, 2022. The principal amount of the Convertible Debentures and interest accrued thereon will be payable in lawful money of Canada.

The Convertible Debentures will be senior unsecured obligations of the Company rank *pari passu* in right of payment of principal and interest with all other Convertible Debentures issued under the Offering and the Concurrent Private Placement and all previously existing senior unsecured indebtedness of the Company. The Convertible Debentures will be direct obligations of the Company and will not be secured by any mortgage, pledge, hypothec or other charge.

The Convertible Debentures will not be convertible in the United States or by or on behalf of a U.S. Person, nor will the Conversion Shares issuable upon conversion of the Convertible Debentures be registered in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities law is available.

Payments

Payments of interest and principal on the Convertible Debentures will be made to CDS or its nominee, as the case may be, as the registered holder of the Convertible Debentures. As long as CDS is the registered holder of the Convertible Debentures, CDS or its nominee will be considered the sole legal owner of the Convertible Debentures for the purposes of receiving payments of interest and principal on the Convertible Debentures and for all other purposes under the Debenture Indenture and the Convertible Debentures. The record date for the payment of interest will be the last business day (a business day being a day on which banking institutions are open in the City of Toronto, Ontario) of the month preceding the month of the applicable Interest Payment Date. Interest payments on Convertible Debentures will be made by electronic funds transfer on the Interest Payment Date and delivered to CDS or its nominee, as the case may be.

The Company understands that CDS or its nominee, upon receipt of any payment of interest or principal in respect of the Convertible Debentures, will credit Participants' accounts, on the date interest or principal is payable, with payments in amounts proportionate to their respective beneficial interest in the principal amount of such Convertible Debentures as shown in the records of CDS or its nominee.

The Company also understands that payments of interest and principal by Participants to owners of beneficial interest in such Convertible Debentures held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participants. The responsibility and liability of the Company in respect of payments on the Convertible Debentures represented by the Convertible Debenture is limited solely and exclusively to making payment of any interest and principal due on such Convertible Debenture to CDS or its nominee. If Convertible Debenture Certificates (as defined below) are issued instead of or in place of the Convertible Debentures, payments of interest on each Convertible Debenture Certificate will be made by electronic funds transfer, if agreed to by the holder of the Convertible Debenture Certificate, or by cheque dated the applicable Interest Payment Date and mailed to the address of the holder appearing in the register maintained by the registrar for the Convertible Debentures, at the close of business on the last business day of the month preceding the month of the applicable Interest Payment Date.

Conversion Privilege

The Principal Amount of each Convertible Debenture will be convertible for no additional consideration, at the holder's option, into fully paid, non-assessable and freely-tradeable Conversion Shares at any time and from time to time prior to 5:00 p.m. (Eastern time) on the earlier of: (i) the close of business on the Maturity Date, and (ii) the business day immediately preceding the date specified by the Company for redemption of the Convertible Debentures upon a Change of Control at the Conversion Price. Holders converting their Convertible Debentures will receive, in addition to the applicable number of Subordinate Voting Shares, accrued and unpaid interest (paid in cash) in respect of the Convertible Debentures surrendered for conversion up to and including the date of conversion from, and including, the most recent Interest Payment Date.

No fractional Subordinate Voting Shares will be issued on any conversion of the Convertible Debentures, and the number of Subordinate Voting Shares so issuable will be rounded down to the nearest whole number and, in lieu thereof, the Company will satisfy fractional interests by a cash payment equal to the Conversion Price on the relevant date of any fractional interest.

Change of Control

Upon a Change of Control of the Company, holders of the Convertible Debentures will have the right to require the Company to repurchase their Convertible Debentures, in whole or in part, on the date that is 30 days following the giving of notice of the Change of Control (which notice must be given by the Company to holders of the Convertible Debentures no less than 45 days prior to the Change of Control), at a price equal to 100% of the principal amount of the Convertible Debentures then outstanding plus accrued and unpaid interest thereon (the "**Offer Price**"). If 90% or more of the principal amount of the Convertible Debentures outstanding on the date of the notice of the Change of Control have been tendered for redemption, the Company will have the right to redeem all of the remaining Convertible Debentures at the Offer Price.

For the purposes hereof, a "**Change of Control**" means: (i) any event as a result of or following which any person, or group of persons "acting jointly or in concert" within the meaning of applicable Canadian securities laws, beneficially owns or exercises control or direction over an aggregate of more than 50% of the then outstanding Subordinate Voting Shares; (ii) the Company's amalgamation, consolidation or merger with or into any other person, any merger of another person into the Company, unless the holders of voting securities of the Company immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Company or the successor entity upon completion of such amalgamation, consolidation or merger; or (iii) the sale or other transfer of all or substantially all of the consolidated assets of the Company. A Change of Control will not include a sale, merger, reorganization or other similar transaction if the previous holders of the Subordinate Voting Shares hold at least 50% of the voting shares of such merged, reorganized or other continuing entity.

Mandatory Conversion

The Company may force the conversion of the Principal Amount of the then outstanding Convertible Debentures at the Conversion Price on not more than 60 days' and not less than 30 days' notice (i) in the event the daily volume weighted average trading price of the Subordinate Voting Shares on the TSXV is greater than $1.60 for the 10 consecutive trading days of the Subordinate Voting Shares on the TSXV preceding such notice or (ii) in connection with a Qualified Financing, in each case subject to the Mandatory Conversion being permitted under the policies of the TSXV for any trading of the Subordinate Voting Shares at that time. If a Qualified Financing is completed at a price per security that is lower than the Conversion Price (with such Conversion Price being calculated, in the case of warrants, by adding the issue and exercise price for such warrants), the Conversion Price for the then-outstanding Convertible Debentures will be reduced to equal the greater of $0.10 and the closing price of the Subordinate Voting Shares on the TSXV on the date before the press release announcing the Qualified Financing is disseminated, provided that, among other things, the conditional approval of the TSXV is obtained. **In the event the Company forces the conversion of the Convertible Debentures, the holder will receive, in addition to the applicable number of Subordinate Voting Shares, any accrued and unpaid interest, such interest to be paid in cash.**

Optional Redemption

At any time and from time to time after the Closing Date, the Company may, at its option, redeem *pro rata* all or part of the Convertible Debentures (the "**Optional Redemption**"), upon not less than 30 and not more than 60 days' prior written notice, at a redemption price (payable in cash) which is equal to 105% of the principal amount thereof plus any accrued and unpaid interest that would otherwise be payable to the holder from the time of the Optional Redemption until the Maturity Date.

Payment Upon Maturity

At maturity, the Company will repay the indebtedness represented by the Convertible Debentures then outstanding by paying to the Trustee in lawful money of Canada an amount equal to the aggregate principal amount of the outstanding Convertible Debentures which are to be redeemed or which have matured, together with all accrued and unpaid interest thereon, less any tax required by law to be deducted.

Offers for Convertible Debentures

The Debenture Indenture will contain provisions to the effect that if an offer is made for all the Convertible Debentures (other than Convertible Debentures held by or on behalf of the offeror or associates or affiliates of the offeror) and the offer is accepted by the beneficial holders of at least 90% of the outstanding principal amount of the Convertible Debentures other than the offeror's Convertible Debentures and the offeror takes up and pays for the Convertible Debentures of the holders who accepted the offer and the offeror complies with certain provisions of the Debenture Indenture, the offeror will be entitled to acquire the Convertible Debentures held by the holders of the Convertible Debentures who did not accept the offer on the terms offered by the offeror.

Modification

The rights of the holders of the Convertible Debentures as well as any other series of debentures that may be issued under the Debenture Indenture may be modified in accordance with the terms of the Debenture Indenture. For that purpose, among others, the Debenture Indenture will contain certain provisions which will make binding on all holders

of the Convertible Debentures resolutions passed at meetings of the holders of the Convertible Debentures by votes cast thereat by holders of not less than 66⅔% of the principal amount of the then outstanding Convertible Debentures present at the meeting or represented by proxy, or rendered by instruments in writing signed by the holders of not less than 66⅔% of the principal amount of the then outstanding Convertible Debentures. In certain cases, the modification will, instead of or in addition to such approval, require assent by the holders of the required percentage of the Convertible Debentures of each particularly affected series.

The foregoing summarizes certain provisions of the Debenture Indenture, and does not purport to be complete and is qualified in its entirety by reference to the provisions of the Debenture Indenture in the form to be agreed upon by the parties.

Anti-Dilution Adjustments

The Conversion Price will be subject to customary anti-dilution protection including, without limitation, the subdivision or consolidation of the outstanding Subordinate Voting Shares, merger, arrangement, split, reorganization or other similar transaction involving the Company, the issue of Subordinate Voting Shares or securities convertible into Subordinate Voting Shares by way of stock dividend or distribution, the issue of rights, options, warrants or other equity securities to all or substantially all of the holders of Subordinate Voting Shares in certain circumstances, and the distribution to all or substantially all of the holders of Subordinate Voting Shares of any other class of shares, rights, options or warrants, evidences of indebtedness or assets.

Book-Entry System for Convertible Debentures

The Convertible Debentures will be issued in "book-entry only" form and must be purchased or transferred through a Participant. On the closing of the Offering, the Trustee will cause the Convertible Debentures to be delivered to CDS and registered in the name of its nominee. It is anticipated that the Convertible Debentures will be deposited electronically with CDS or its nominees. Registration of interests in and transfers of the Convertible Debentures will be made only through the depository service of CDS.

Except as described below, a purchaser acquiring a beneficial interest in the Convertible Debentures (a "**Beneficial Owner**") will not be entitled to a certificate or other instrument from the Trustee or CDS evidencing that purchaser's interest therein, and such purchaser will not be shown on the records maintained by CDS, except through a Participant.

Such purchaser will receive a confirmation of purchase from the Agent or other registered dealer from whom Convertible Debentures are purchased.

Neither the Company nor the Agent will assume any liability for: (i) any aspect of the records relating to the beneficial ownership of the Convertible Debentures held by CDS or the payments relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Convertible Debentures; or (iii) any advice or representation made by or with respect to CDS and contained in this Prospectus Supplement and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and Beneficial Owners must look solely to Participants for the payment of the principal and interest on the Convertible Debentures paid by or on behalf of the Company to CDS.

As indirect holders of Convertible Debentures, investors should be aware that they (subject to the situations described below): (i) may not have Convertible Debentures registered in their name; (ii) may not have physical certificates representing their interest in the Convertible Debentures; (iii) may not be able to sell the Convertible Debentures to institutions required by law to hold physical certificates for securities they own; and (iv) may be unable to pledge Convertible Debentures as security.

The Convertible Debentures will be issued to Beneficial Owners in fully registered and certificated form (the "**Convertible Debenture Certificates**") only if: (i) they are required to be so issued by applicable law; (ii) the book-entry only system ceases to exist; (iii) the Company or CDS advises the Trustee that CDS is no longer willing or able to properly discharge its responsibilities as depositary with respect to the Convertible Debentures and the Company is unable to locate a qualified successor; (iv) the Company, at its option, decides to terminate the book-entry only system through CDS; or (v) after the occurrence of an event of default, Participants acting on behalf of Beneficial Owners

representing, in the aggregate, not less than 50% of the aggregate principal amount of the Convertible Debentures then outstanding advise CDS in writing that the continuation of a book-entry only system through CDS is no longer in their best interest, provided the Trustee has not waived the event of default in accordance with the terms of the Debenture Indenture.

Upon the occurrence of any of the events described in the immediately preceding paragraph and receipt of a written notice from the Company confirming such event has occurred, the Convertible Debenture Trustee must notify CDS, for and on behalf of Participants and Beneficial Owners, of the availability of Convertible Debenture Certificates. Upon receipt of instructions from CDS for the new registrations, the Trustee will deliver the Convertible Debentures in the form of Convertible Debenture Certificates and thereafter the Company will recognize the holders of such Convertible Debenture Certificates as Convertible Debenture holders under the Debenture Indenture. Interest on the Convertible Debentures will be paid directly to CDS while the book-entry only system is in effect. If Convertible Debenture Certificates are issued, interest will be paid by cheque drawn on the Company and sent by prepaid mail to the registered holder or by such other means as may become customary for the payment of interest. Payment of principal and premium and the interest due at maturity, will be paid directly to CDS while the book-entry only system is in effect. If Convertible Debenture Certificates are issued, payment of principal and premium, if any, and interest due at maturity, will be paid upon surrender thereof at any office of the Trustee or as otherwise specified in the Debenture Indenture.

Warrants

Each Warrant will be transferable and will entitle the holder thereof to acquire one Warrant Share at a price of $1.25 per Warrant Share at any time prior to 5:00 p.m. (Eastern time) at any time up to 36 months following the Closing Date, subject to adjustment in certain customary events, after which time the Warrants will expire. The Warrants will be issued under and governed by the Warrant Indenture to be entered into on the Closing Date between the Company and TSX Trust Company, as warrant agent. The Company will appoint the principal transfer office of TSX Trust Company in Toronto, Ontario as the location at which the Warrants may be surrendered for exercise, transfer or exchange. Under the Warrant Indenture, the Company may, subject to applicable law, purchase by private contract or otherwise, any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Exercise Price and the number of Warrant Shares issuable upon exercise are both subject to adjustment in certain circumstances as more fully described below. Under the Warrant Indenture and subject to applicable laws, the Company will be entitled to purchase in the market, by private contract or otherwise, all or any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Exercise Price for the Warrants will be payable in Canadian dollars.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the Exercise Price upon the occurrence of certain events, including:

(i) the issuance of Subordinate Voting Shares or securities exchangeable for or convertible into Subordinate Voting Shares to all or substantially all of the holders of the Subordinate Voting Shares as a stock dividend or other distribution (other than a “dividend paid in the ordinary course”, as defined in the Warrant Indenture);

(ii) the subdivision, redivision or change of the Subordinate Voting Shares into a greater number of shares;

(iii) the reduction, combination or consolidation of the Subordinate Voting Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of the Subordinate Voting Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Subordinate Voting Shares, or securities exchangeable for or convertible into Subordinate Voting Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the “current

market price", as defined in the Warrant Indenture, for the Subordinate Voting Shares on such record date; and

(v) the issuance or distribution to all or substantially all of the holders of the Subordinate Voting Shares of shares of any class other than the Subordinate Voting Shares, rights, options or warrants to acquire Subordinate Voting Shares or securities exchangeable or convertible into Subordinate Voting Shares, of evidences of indebtedness or cash, securities or any property or other assets.

No adjustments will be made to the number of Warrant Shares issuable upon the exercise of the Warrants and/or the Exercise Price with respect to a distribution of Subordinate Voting Shares upon the exercise of the Warrants or pursuant to the exercise of director, officer or employee stock options granted under the Company's stock option plan.

The Warrant Indenture will provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or Exercise Price per Warrant Share in the event of the following additional events: (i) reclassifications of the Subordinate Voting Shares; (ii) consolidations, amalgamations, arrangements or mergers of the Company with or into any other corporation or other entity (other than consolidations, amalgamations, arrangements or mergers which do not result in any reclassification of the outstanding Subordinate Voting Shares or a change of the Subordinate Voting Shares into other shares); or (iii) the transfer (other than to one of the Company's subsidiaries) of the undertaking or assets of the Company as an entirety or substantially as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the Exercise Price or the number of Warrant Shares issuable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the Exercise Price by at least 1% or the number of Warrant Shares issuable upon exercise by at least one one-hundredth of a Warrant Share, as the case may be.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to TSX Trust Company and to the holders of the Warrants of certain stated events, including events that would result in an adjustment to the Exercise Price or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fractional Warrant Shares will be issuable upon the exercise of any Warrants and no cash or other consideration will be paid in lieu of fractional Warrant Shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Subordinate Voting Shares would have.

The Warrants will not be exercisable in the United States or by or on behalf of a U.S. Person, nor will certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and such U.S. Person has furnished, if requested, an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect and/or any other certificates or documentation reasonably requested by the Company, the registrar and transfer agent or as required under the Warrant Indenture.

From time to time, the Company and TSX Trust Company, as warrant agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 10% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution or (2) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants.

The foregoing summary of certain provisions of the Warrant Indenture does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture in the form to be agreed upon by the parties.

Conversion Shares, Warrant Shares and Broker Shares

Terms of the Subordinate Voting Shares and Proportionate Voting Shares

Subordinate Voting Shares and the Proportionate Voting Shares are substantially identical with the exception of the multiple voting and conversion rights attached to the Proportionate Voting Shares, and the related take-over bid protections attached to the Subordinate Voting Shares, as more particularly described herein.

The Proportionate Voting Shares carry a greater number of votes per share relative to the Subordinate Voting Shares and accordingly the Subordinate Voting Shares are "restricted securities" within the meaning of such term under applicable Canadian securities laws. The Company has complied with the requirements of Part 12 of NI 41-101 to be able to file a prospectus under which the Subordinate Voting Shares or securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, the Subordinate Voting Shares are distributed, as the Company received the requisite prior majority approval of shareholders at the annual and special meeting of shareholders held on April 28, 2021, in accordance with applicable law, including Section 12.3 of NI 41-101, for the amendment to re-designate the common shares of the Company as the Subordinate Voting Shares and the creation of the Proportionate Voting Shares (the "**Share Terms Amendment**"). The Share Terms Amendment constituted a "restricted security reorganization" within the meaning of such term under applicable Canadian securities laws.

Issued and outstanding Subordinate Voting Shares may at any time, at the option of the holder, be converted into such number of Proportionate Voting Shares as is determined by dividing the number of Subordinate Voting Shares being converted by 100, provided the directors have approved such conversion. Further, in the event that an offer is made to purchase Proportionate Voting Shares (and not Subordinate Voting Shares), then each Subordinate Voting Share is convertible at the option of the holder into Proportionate Voting Shares on the basis of 100 Subordinate Voting Shares for one Proportionate Voting Share.

Issued and outstanding Proportionate Voting Shares, including fractions thereof, may at any time, subject to the FPI Condition (as defined below), at the option of the holder, be converted into Subordinate Voting Shares at an initial conversion ratio (the "**Conversion Ratio**") of 100 Subordinate Voting Shares per Proportionate Voting Share. The Conversion Ratio is subject to adjustment from time to time in certain events. Further, the Board may require holders of Proportionate Voting Shares to convert all, but not less than all, of their Proportionate Voting Shares at the applicable Conversion Ratio if (a) the Company is subject to the reporting requirements of Section 13 or 15(d) of the United States Securities and Exchange Act of 1934, as amended (the "**1934 Act**"), and (b) the Subordinate Voting Shares are listed or quoted on a recognized North American stock exchange.

The right of holders to convert their Proportionate Voting Shares into Subordinate Voting Shares is subject to certain conditions in order to maintain the status of the Company as a "foreign private issuer" under United States securities laws. The right to convert the Proportionate Voting Shares is subject to the condition that the aggregate number of Subordinate Voting Shares and Proportionate Voting Shares (calculated as a single class) held of record, directly or indirectly, by residents of the United States (as determined in accordance with Rules 3b-4 and 12g3-2(a) under the 1934 Act), may not exceed 40% of the aggregate number of Subordinate Voting Shares and Proportionate Voting Shares issued and outstanding after giving effect to such conversions (calculated as a single class) (the "**FPI Condition**"). The Company may, in its discretion, increase the threshold of the FPI Condition from 40% up to a maximum of 50%.

No fractional Subordinate Voting Shares will be issued on any conversion of any Proportionate Voting Shares and any fractional Subordinate Voting Shares will be rounded down to the nearest whole number.

All holders of Shares will be entitled to receive notice of any meeting of shareholders of the Company, and to attend, vote and speak at such meetings, except those meetings at which only holders of a specific class or series of shares are entitled to vote separately as a class or series. On all matters upon which holders of Shares are entitled to vote, (i) each Subordinate Voting Share is entitled to one vote per Subordinate Voting Share; and (ii) each Proportionate Voting Share is entitled to 100 votes per Proportionate Voting Share, and each fraction of a Proportionate Voting Share entitles the holder to the number of votes calculated by multiplying the fraction by 100 and rounding the product down to the nearest whole number.

Unless a different majority is required by law or the Articles, resolutions to be approved by holders of Shares require approval by a simple majority of the total number of votes of all Shares cast at a meeting of shareholders at which a quorum is present based on the voting entitlements of each class of Shares described above.

Holders of Shares are entitled to receive dividends payable in cash or property of the Company as may be declared by the directors from time to time, on the following basis, and otherwise without preference or distinction among or between the Shares: each Proportionate Voting Share will be entitled to an amount equal to the amount paid or distributed per Subordinate Voting Share multiplied by 100. The directors may not declare a dividend payable in cash or property on the Proportionate Voting Shares unless the directors simultaneously declare a dividend payable in cash or property on the Subordinate Voting Shares, in an amount equal to the amount of the dividend declared per Proportionate Voting Share divided by 100.

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company to its shareholders for the purposes of winding up its affairs, the holders of the Subordinate Voting Shares shall be entitled to participate pari passu with the holders of Proportionate Voting Shares, with the amount of such distribution per Subordinate Voting Share equal to the amount of such distribution per Proportionate Voting Share divided by 100; and each fraction of a Subordinate Voting Share will be entitled to the amount calculated by multiplying such fraction by the amount payable per whole Subordinate Voting Share.

Holders of Shares do not have any rights of first refusal, or pre-emptive or redemption rights.

No subdivision or consolidation of any class of Shares may be carried out unless, at the same time, the Subordinate Voting Shares and Proportionate Voting Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis, so as to preserve the relative rights of the holders of each class of Shares.

If an offer is made to purchase Proportionate Voting Shares (a "**PVS Offer**") where: (i) by reason of applicable securities legislation or stock exchange requirements, the offer must be made to all or substantially all holders of the class of Proportionate Voting Shares; and (ii) no equivalent offer is made for the Subordinate Voting Shares, the holders of Subordinate Voting Shares have the right, pursuant to the Articles, at their option, to convert their Subordinate Voting Shares into Proportionate Voting Shares at a conversion ratio of 100 Subordinate Voting Shares for one Proportionate Voting Shares for the purpose of allowing the holders of the Subordinate Voting Shares to tender to such PVS Offer.

Treatment for U.S. Purposes

The Convertible Debentures and the Warrants comprising the Debenture Units offered hereby and the Conversion Shares issuable upon conversion of the Convertible Debentures and the Warrant Shares issuable upon exercise of the Warrants, in each instance issued to, or for the account or benefit of, persons in the United States or U.S. Persons, will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act. Certificates issued representing such securities (if any) may bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable U.S. state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

The Conversion Shares issuable upon conversion of the Convertible Debentures, the Warrant Shares issuable upon exercise of the Warrants and the Broker Shares issuable upon exercise of the Broker Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States. The Conversion Shares, Warrant Shares and Broker Shares, if any, will not be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws is available and provided that, subject to certain exceptions, the Company has received an opinion of counsel of recognized standing to such effect in form and substance satisfactory to the Company.

Broker Warrants

As additional consideration for the services rendered in connection with the Offering and the Concurrent Private Placement, the Company has agreed to issue to the Agent such number of Broker Warrants as is equal to 7.0% of the

gross proceeds raised in respect of the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option) and the Concurrent Private Placement (or 3.0% with respect to President's List, subject to a maximum of $500,000), in each case, divided by the Conversion Price. Each Broker Warrant will entitle the holder thereof to acquire one Broker Share at an exercise price of $1.25 per Broker Share for a period of 36 months following the Closing Date.

Each Broker Warrant will entitle the holder thereof to purchase one Broker Share on the same terms as the Warrants. The terms to be set out in the certificates representing the Broker Warrants will include, among other things, customary provisions for the appropriate adjustment of the number of Broker Shares issuable pursuant to any exercise of the Broker Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Subordinate Voting Shares, any capital reorganization of the Company, or any arrangement, merger, consolidation or amalgamation of the Company with or into another corporation or entity, as well as customary amendment provisions.

PRIOR SALES

The following tables set forth details regarding issuances of Subordinate Voting Shares and issuances of securities convertible into or exchangeable, redeemable or exercisable for Subordinate Voting Shares during the 12-month period before the date of this Prospectus Supplement:

Date of Issuance	Security	Issue / Exercise Price per Security	Number of Securities
September 29, 2021	Subordinate Voting Shares[(1)]	C$1.26	40,000
October 29, 2021	Subordinate Voting Shares[(2)]	C$1.24	1,300,000
November 25, 2021	Options[(3)]	C$1.11	530,000
December 20, 2021	Options[(4)]	C$0.94	200,000
January 4, 2022	Subordinate Voting Shares[(5)]	Nil	1,185,200
January 12, 2022	Subordinate Voting Shares[(6)]	US$0.65672	5,968
March 30, 2022	Options[(7)]	C$0.90	425,000
April 6, 2022	Subordinate Voting Shares[(8)]	US$1.00	600,000
July 21, 2022	Subordinate Voting Shares[(9)]	US$1.00	758,333
August 24, 2022	Options[(10)]	C$1.00	515,000
August 30, 2022	Subordinate Voting Shares[(11)]	C$0.71	1,561,298

Notes:

(1) Issued in connection with the acquisition of certain assets from DocAuthority Ltd.

(2) Issued in connection with the acquisition of Affinio.

(3) Issued to certain non-executive employees of the Company.

(4) Issued to a non-executive employee of the Company.

(5) Issued upon conversion of 11,852 Proportionate Voting Shares released from escrow.

(6) Issued upon option exercise by a non-executive employee of the Company.

(7) Issued in connection with the acquisition of Allegient Defense, Inc.

(8) Issued to a consultant and certain non-executive employees of the Company.

(9) Issued in connection with the acquisition of Resonant Analytics, LLC.

(10) Issued to directors and a non-executive employee of the Company.

(11) Issued in connection with the amendment of the definitive agreement for the acquisition of Affinio.

TRADING PRICE AND VOLUME

The Subordinate Voting Shares are listed and posted for trading on the TSXV under the symbol "NOW", where they commenced trading on July 5, 2021. The following table sets forth information relating to the trading of the Subordinate Voting Shares on the TSXV in the previous 12 months.

Month	High (C$)	Low (C$)	Volume
September 2021	1.06	0.88	851,634
October 2021	1.05	0.88	1,018,758
November 2021	1.43	0.93	4,212,459
December 2021	1.14	0.95	592,722
January 2022	1.27	0.80	2,336,815
February 2022	1.04	0.78	1,321,487
March 2022	0.93	0.78	1,151,300
April 2022	0.96	0.62	1,904,149
May 2022	0.75	0.455	2,245,616
June 2022	0.71	0.42	1,335,692
July 2022	0.63	0.39	1,645,843
August 2022	0.82	0.45	1,520,424
September 1 – 23, 2022	0.75	0.60	1,452,631

At the close of business on September 23, 2022, the last trading day prior to the date of this Prospectus Supplement, the price of the Subordinate Voting Shares as quoted by the TSXV was C$0.65 per share.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

In the opinion of Goodmans LLP, counsel to the Company, and Dickinson Wright LLP, counsel to the Agent, the following is, as at the date of this Prospectus Supplement, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to an investor who acquires, as beneficial owner and pursuant to this Offering, the Convertible Debentures and Warrants which comprise the Debenture Units and who, for the purposes of the Tax Act and at all relevant times holds its Convertible Debentures and Warrants, and will hold the Conversion Shares and Warrant Shares on the conversion of its Convertible Debentures and exercise of its Warrants, as applicable, (collectively, the "**Securities**") as capital property, deals at arm's length with the Company and the Agent and is not affiliated with the Company or the Agent (a "**Holder**"). The Securities will generally be capital property to a Holder unless the Securities are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure in the nature of trade.

This summary does not apply to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iv) that has made a functional currency reporting election under the Tax Act, (v) that has or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", as those terms are defined in the Tax Act, with respect to any Securities; or (vi) that is a corporation resident in Canada that is or becomes, or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of any Securities, controlled by a non-resident person or group of non-resident persons not dealing with each other at arm's length for purposes of the Tax Act for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Any such Holder should consult its own tax advisors with respect to an investment in Debenture Units.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof, counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") made publicly available prior to the date hereof, and all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"). This summary that the Tax Proposals will be enacted in the form proposed; however, no assurance can be given that the

Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account any changes in law or in the administrative policies or assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account or consider any other federal or any provincial, or foreign income tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular investor are made. This summary is not exhaustive of all possible Canadian federal income tax considerations and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire the Debenture Units or to exercise Warrants. Holders should consult their own tax advisors with respect to their particular circumstances.

Acquisition of Debenture Units

Holders will be required to allocate on a reasonable basis their cost of each Debenture Unit between the Convertible Debenture and the Warrants in order to determine their respective costs for purposes of the Tax Act.

For its purposes, the Company intends to allocate $940.65 to each Convertible Debenture and $59.35 to the Warrants (being $0.083 per Warrant). Although the Company believes that its allocation is reasonable, it is not binding on the CRA or the Holder.

Exercise or Expiry of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base to the Holder of all Subordinate Voting Shares owned by the Holder as capital property immediately prior to such acquisition.

The expiry of an unexercised Warrant will generally result in a capital loss to the Holder equal to the adjusted cost base of the Warrant to the Holder immediately before its expiry. See "*Certain Canadian Federal Income Tax Considerations - Resident Holders - Capital Gains and Capital Losses*" or "*Certain Canadian Federal Income Tax Considerations - Non-Resident Holders – Dispositions of Securities*", as applicable, below.

Resident Holders

This following discussion is generally applicable to a Holder who, for the purposes of the Tax Act and at all relevant times, is or is deemed to be resident in Canada (a "**Resident Holder**"). A Resident Holder whose Convertible Debentures, Warrant Shares or Conversion Shares might not otherwise constitute capital property may make, in certain circumstances, an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Convertible Debentures, Conversion Shares, Warrant Shares and every other "Canadian security" as defined in the Tax Act held by such Holder in the taxation year of the election and each subsequent taxation year to be capital property. This election will not apply to the Warrants. Investors should consult their own tax advisors regarding this election.

Interest on Convertible Debentures

A Holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Convertible Debentures that accrues (or is deemed to accrue) to it to the end of the taxation year or that has become receivable by or is received by the Holder before the end of that taxation year, including on a conversion, redemption or repayment at maturity, except to the extent that such interest was included in computing the Holder's income for a preceding taxation year.

Any other Holder, including an individual (other than a unit trust or trust of which a corporation or partnership is a beneficiary) will be required to include in computing income for a taxation year all interest on the Convertible Debentures that is received or receivable by the Holder in that taxation year (depending upon the method regularly

followed by the Holder in computing income), including on a conversion, redemption or repayment at maturity, except to the extent that the interest was included in the Holder's income for a preceding taxation year. In addition, if at any time a Convertible Debenture should become an "investment contract" (as defined in the Tax Act) in relation to a Holder, such Holder will be required to include in computing income for a taxation year any interest that accrues to the Holder on the Convertible Debenture up to the end of any "anniversary day" (as defined in the Tax Act) in that year to the extent such interest was not otherwise included in computing the Holder's income for that year or a preceding year.

A Holder that throughout the year is a "Canadian-controlled private corporation" or a "substantive CCPC" (each as for purposes of the Tax Act) may also be liable to pay an additional tax, a portion of which may be refundable, on its "aggregate investment income" (as defined in the Tax Act) which includes interest income.

It is likely that the portion of the purchase price that is allocated to a Convertible Debenture will be less than the principal amount of the Convertible Debenture. Such allocation may increase a Holder's capital gain (or reduce its capital loss) on the disposition of the Convertible Debenture, including on repayment, redemption or conversion. Alternatively, the Holder may be required to include in its income, an additional amount equal to the difference between the portion of the purchase price allocated to the Convertible Debenture and its principal amount ("**Discount**") either in one or more taxation years in which the Discount accrues or in a taxation year in which the Discount is received or receivable by the Holder. **Holders should consult their own tax advisors in this regard.**

Any amount paid by the Company to a Holder as a penalty or bonus because of the repayment of all or part of the principal amount of a Convertible Debenture before its maturity will be deemed to be received by the Holder as interest on the Convertible Debenture at that time and will be required to be included in computing the Holder's income as described above, to the extent such amount can reasonably be considered to relate to, and does not exceed the value at the time of payment of, interest that, but for the repayment, would have been paid or payable by the Company on the Convertible Debenture for a taxation year of the Company ending after that time.

Conversion of Convertible Debentures

Generally, a Holder who converts a Convertible Debenture into Conversion Shares (or Conversion Shares and cash delivered in lieu of a fraction of a Conversion Share) pursuant to the conversion privilege under the terms of the Convertible Debenture will be deemed not to have disposed of the Convertible Debenture and, accordingly, will not recognize a capital gain (or capital loss) upon such conversion. Under the current administrative practice of the CRA, a Holder who, upon conversion of a Convertible Debenture, receives cash not in excess of $200 in lieu of a fraction of a Conversion Share may either treat this amount as proceeds of disposition of a portion of the Convertible Debenture, thereby recognizing a capital gain (or capital loss), or reduce the adjusted cost base of the Conversion Shares that the Holder receives on the conversion by the amount of the cash received.

Upon a conversion of a Convertible Debenture, interest accrued thereon, to the extent not otherwise previously included in income, will be included in computing the income of the Holder as described above under "*Certain Canadian Federal Income Tax Considerations - Resident Holders - Interest on Convertible Debentures*".

The aggregate cost to a Holder of the Conversion Shares acquired on the conversion of a Convertible Debenture into Conversion Shares (or Conversion Shares and cash delivered in lieu of a fraction of a Conversion Shares) will generally be equal to the aggregate of the Holder's adjusted cost base of the Convertible Debenture immediately before the conversion, minus any reduction of adjusted cost base for fractional shares as discussed above. The adjusted cost base to a Holder of Conversion Shares at any time will be determined by averaging the cost of such Conversion Shares with the adjusted cost base of any other Subordinate Voting Shares owned by the Holder as capital property at the time.

Disposition of Convertible Debentures

On a disposition or deemed disposition of a Convertible Debenture by a Holder, including a redemption, payment on maturity or purchase for cancellation but not including the conversion of a Convertible Debenture into Conversion Shares pursuant to the Holder's right of conversion described above, a Holder will generally be required to include in computing its income for the taxation year in which the disposition occurs the amount of interest that has accrued on the Convertible Debenture to that time, except to the extent that such interest has otherwise been included in the

Holder's income for the year or a preceding taxation year, and will be excluded in computing the Holder's proceeds of disposition.

Such disposition or deemed disposition of a Convertible Debenture by a Holder will also generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition (net of any amount otherwise required to be included in the Holder's income as interest), exceed (or are less than) the aggregate of the Holder's adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment under "*Certain Canadian Federal Income Tax Considerations - Resident Holders - Capital Gains and Capital Losses*".

If the Company pays any amount upon a Mandatory Conversion (or in other situations, but not including by the conversion of a Convertible Debenture into Conversion Shares pursuant to the Holder's conversion privilege as described above), the Holder's proceeds of disposition of the Convertible Debenture will be equal to the fair market value, at the time of disposition of the Convertible Debenture, of the Conversion Shares and any other consideration so received (other than consideration received in satisfaction of accrued interest). The cost to the Holder of the Conversion Shares so received will be equal to the fair market value of such Conversion Shares and other consideration. The adjusted cost base to a Holder of Conversion Shares acquired at any time will be determined by averaging the cost of such Conversion Shares with the adjusted cost base of any other Subordinate Voting Shares (if any) owned by the Holder as capital property at the time.

Disposition of Warrants, Conversion Shares and Warrant Shares

On a disposition or deemed disposition of a Warrant by a Holder, not including the exercise of a Warrant for a Warrant Share pursuant to the Holder's right of exercise described above, Conversion Share or Warrant Share (other than a disposition of a Conversion Share or Warrant Share to the Company, unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market), a capital gain (or capital loss) will generally be realized by a Holder in the year of disposition to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Warrant, Conversion Share or Warrant Share, as the case may be, to the Holder immediately before the disposition. Any such capital gain (or capital loss) will be subject to the treatment described below under "*Certain Canadian Federal Income Tax Considerations - Resident Holders - Capital Gains and Capital Losses*".

Dividends on Conversion Shares and Warrant Shares

Dividends received or deemed to be received on the Conversion Shares and Warrant Shares will be included in computing a Holder's income. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced dividend tax credit in respect of "eligible dividends", if any, so designated by the Company to the Holder in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as eligible dividends.

Dividends received or deemed to be received by a corporation that is a Holder on the Conversion Shares and Warrant Shares must be included in computing its income but generally will be deductible in computing its taxable income, subject to special rules under the Tax Act. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Holder that is a "private corporation" or "subject corporation" (each as defined in the Tax Act) generally will be liable to pay an additional refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Conversion Shares and the Warrant Shares to the extent such dividends are deductible in computing taxable income.

Capital Gains and Capital Losses

Generally, a Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized

in a taxation year from taxable capital gains realized in that year by such Holder. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding years or carried forward and deducted in any following taxation year against taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Conversion Shares or Warrant Shares by a Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstance specified by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Shares, directly or indirectly, through a partnership or trust. Holders to whom these rules may be relevant should consult their own tax advisors.

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" or a "substantive CCPC" (each as defined for purposes of the Tax Act) may also be liable to pay an additional tax, a portion of which may be refundable, on its "aggregate investment income" (as defined in the Tax Act) which includes an amount in respect of taxable capital gains.

Alternative Minimum Tax

Capital gains realized and dividends received by a Holder that is an individual (other than certain specified trusts) may give rise to minimum tax under the Tax Act. Holders should consult their own advisors with respect to a liability for alternative minimum tax.

Non-Resident Holders

This following discussion is generally applicable to a Holder who, for the purposes of the Tax Act and at all relevant times, (i) is not, and is not deemed to be, resident in Canada, (ii) does not, and is not deemed to, use or hold its Securities in or in the course of carrying on a business carried on in Canada, (iii) is entitled to receive all payments (including all principal, interest and dividends) made on its Securities, (iv) deals at arm's length with any person or partnership who is a resident or deemed to be a resident in Canada to whom the Holder assigns or otherwise transfers a Convertible Debenture, (v) does not carry on an insurance business in Canada and elsewhere; (vi) is not an "authorized foreign bank" (as defined in the Tax Act), and (vii) is neither a "specified shareholder" (as defined in subsection 18(5) of the Tax Act) of the Company nor a person who does not deal at arm's length with a specified shareholder of the Company (a "**Non-Resident Holder**").

Interest on Convertible Debentures

A Non-Resident Holder will not be subject to Canadian income or withholding tax in respect of amounts paid or credited or deemed to have been paid or credited by the Company as, on account or in lieu of, or in satisfaction of, interest or principal on the Convertible Debentures, except as described below. See "*Certain Canadian Federal Income Tax Considerations - Non-Resident Holders - Disposition of Securities*" and "*Risk Factors - Convertible Debentures may be Subject to Withholding Tax and Participating Debt Interest*".

Conversion of Convertible Debentures

Generally, a Non-Resident Holder who converts a Convertible Debenture into Conversion Shares (or Conversion Shares and cash delivered in lieu of a fraction of a Conversion Share) pursuant to the conversion privilege under the terms of the Convertible Debenture will be deemed not to have disposed of the Convertible Debenture and, accordingly, will not recognize a capital gain (or capital loss) upon such conversion. Under the current administrative practice of the CRA, a Non-Resident Holder who, upon conversion of a Convertible Debenture, receives cash not in excess of $200 in lieu of a fraction of a Conversion Share may either treat this amount as proceeds of disposition of a portion of the Convertible Debenture, thereby recognizing a capital gain (or capital loss), or reduce the adjusted cost base of the Conversion Shares that the Non-Resident Holder receives on the conversion by the amount of the cash received.

Upon a conversion of a Convertible Debenture, any payment representing interest accrued thereon will be subject to the Canadian federal income tax considerations described above. See "*Certain Canadian Federal Income Tax Considerations - Non-Resident Holders - Interest on Convertible Debentures*".

The aggregate cost to a Non-Resident Holder of the Conversion Shares acquired on the conversion of a Convertible Debenture into Conversion Shares (or Conversion Shares and cash delivered in lieu of a fraction of a Conversion Shares) will generally be equal to the aggregate of the Non-Resident Holder's adjusted cost base of the Convertible Debenture immediately before the conversion, minus any reduction of adjusted cost base for fractional shares as discussed above. The adjusted cost base to a Non-Resident Holder of Conversion Shares at any time will be determined by averaging the cost of such Conversion Shares with the adjusted cost base of any other Subordinate Voting Shares owned by the Non-Resident Holder as capital property at the time.

In the event that a Convertible Debenture is converted into Conversion Shares (or Conversion Shares and cash delivered in lieu of a fraction of a Conversion Share) for an amount that exceeds the issue price thereof, all or a portion of such excess should not be subject to Canadian withholding tax. However, see "*Risk Factors - Convertible Debentures may be Subject to Withholding Tax and Participating Debt Interest*".

Disposition of Securities

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Security, nor will capital losses arising therefrom generally be recognized under the Tax Act, unless the Security is, or is deemed to be, "taxable Canadian property" to the Non-Resident Holder thereof for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Subordinate Voting Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) at the time of disposition, the Security generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-Resident Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Subordinate Voting Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, the Security may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act.

Even if a Security is "taxable Canadian property" to a Non-Resident Holder, such Non-Resident Holder may be exempt from tax under the Tax Act on the disposition of such Security by virtue of an applicable income tax treaty or convention.

A Non-Resident Holder's capital gain (or capital loss) in respect of a Security that constitutes or is deemed to constitute taxable Canadian property (and is not exempt from tax under an applicable income tax treaty or convention) will generally be computed in the manner described above under "*Certain Canadian Federal Income Tax Considerations - Resident Holders - Disposition of Convertible Debentures*" and "*Certain Canadian Federal Income Tax Considerations - Resident Holders – Disposition of Warrants, Conversion Shares and Warrant Shares*", as applicable. **Non-Resident Holders whose Securities are taxable Canadian property should consult their own tax advisors.**

Dividends on Conversion Shares and Warrant Shares

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Conversion Shares or Warrant Shares by the Company are subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, unless such rate is reduced by the terms of an applicable tax treaty. Under the Canada-United States Tax Convention (1980) (the "**Treaty**") as amended, the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty and entitled to benefits under the Treaty (a "**U.S.**

Holder") is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company's voting shares). Non-Resident Holders should consult their own tax advisors in this regard.

INTERESTS OF EXPERTS

Each of Goodmans LLP, counsel for the Company, and Dickinson Wright LLP, counsel for the Agent, have provided its opinion on certain matters contained in this Prospectus Supplement. As of the date hereof, partners and associates of Goodmans LLP and Dickinson Wright LLP, each as a group, own, directly or indirectly, in the aggregate, less than 1% or no securities of the Company.

Grant Thornton LLP are the auditors of the Company and are independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

RISK FACTORS

Before making an investment decision, prospective purchasers of Debenture Units should carefully consider the information described in this Prospectus Supplement, the accompanying Shelf Prospectus and in the documents incorporated by reference herein. There are certain risks inherent in an investment in the Debenture Units, including the factors listed below, and any other risk factors described in a document incorporated by reference in this Prospectus Supplement and the accompanying Shelf Prospectus, which investors should carefully consider before investing. Some of the following factors and the risk factors described in the documents incorporated by reference in this Prospectus Supplement and the accompanying Shelf Prospectus are interrelated and, consequently, investors should treat such risk factors as a whole. The risks described in this Prospectus Supplement, the accompanying Shelf Prospectus and in the documents incorporated by reference herein and therein describe certain currently known material factors, any of which could have a material adverse effect on the Company's business, prospects, financial condition and results of operations. If any of the following or other risks occur, it could have a material adverse effect on the business, prospects, financial condition and results of operations of the Company and on the trading price of the Subordinate Voting Shares or the Warrants (if listed), which could materially decline, and investors may lose all or part of their investment. It is also believed that these factors could cause actual results to be different from expected results. Additional risks and uncertainties of which the Company is currently unaware or that are unknown or that it currently deems to be immaterial could also have a material adverse effect on the Company's business, prospects, financial condition and results of operations. The Company cannot assure prospective purchasers that it will successfully address any or all of these risks. There is no assurance that any risk management steps taken will avoid future loss due to the occurrence of any of the risks described in this Prospectus Supplement and in the documents incorporated by reference herein, or other unforeseen risks. The market in which the Company currently competes is very competitive and changes rapidly. Sometimes new risks emerge and management may not be able to predict them, or be able to predict how they may cause actual results to be different from those contained in any forward- looking statements. Prospective purchasers should not rely upon forward-looking statements as a prediction of future results. In addition to the risks described elsewhere in this Prospectus Supplement and the accompanying Shelf Prospectus, including in the documents incorporated by reference herein, the following risks for the Company should be considered.

Risks Related to the Offering and the Company's Securities

Loss of Entire Investment

An investment in the Company is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in investments that involve significant risk and who can afford to lose their entire investment should consider an investment in the Company.

Completion of the Offering and the Concurrent Private Placement

The completion of the Offering and the Concurrent Private Placement remains subject to a number of conditions. There can be no certainty that the Offering and/or the Concurrent Private Placement will be completed. Failure by the Company to satisfy all of the conditions precedent to the Offering and the Concurrent Private Placement would result in the Offering and the Concurrent Private Placement not being completed. If the Offering and the Concurrent Private

Placement are not completed, the Company may not be able to raise the funds required for the purposes contemplated under "Use of Proceeds" from other sources on commercially reasonable terms or at all.

Discretion in the Use of Proceeds

Management will have discretion concerning the use of the proceeds of the Offering and the Concurrent Private Placement as well as the timing of their expenditure. As a result, an investor will be relying on the judgment of management for the application of the proceeds of the Offering and the Concurrent Private Placement. Management may use the net proceeds of the Offering and the Concurrent Private Placement other than as described under the heading "Use of Proceeds" in this Prospectus Supplement if they believe it would be in the Company's best interest to do so and in ways that an investor may not consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Company results of operations may suffer.

Inability to Satisfy Payments

The Convertible Debentures mature on the Maturity Date. There is no guarantee that the Company will have sufficient cash available to make interest payments or to repay the principal outstanding on the Convertible Debentures on a timely basis or at all. See the section entitled "Earnings Coverage Ratios" in this Prospectus Supplement, which is relevant to an assessment of the risk that the Company may be unable to pay interest or principal on the Convertible Debentures when due.

Market for Warrants and Convertible Debentures

There is currently no market through which the Warrants and Convertible Debentures may be sold. There can be no assurance that an active or liquid market for the Warrants or Convertible Debentures will develop following the Offering, or if developed, that such market will be maintained. If an active public market does not develop or is not maintained, purchasers may not be able to resell the Convertible Debentures purchased under this Prospectus Supplement. If there is a market through which the Warrants and Convertible Debentures may be sold, the market price of the Warrants and Convertible Debentures may be adversely affected by a variety of factors relating to the Company's business, including fluctuations in the Company's operating and financial results, the results of any public announcements made by the Company and the Company's failure to meet analysts' expectations. In addition, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Warrants and Convertible Debentures for reasons unrelated to the Company's performance.

Redeeming on a Change of Control

The Company will be required to purchase all outstanding Convertible Debentures within thirty (30) days following the occurrence of a Change of Control upon a request made by the holders of the Convertible Debentures. However, it is possible that following a Change of Control, the Company will not have sufficient funds at that time to make the required purchase of outstanding Convertible Debentures or that restrictions contained in other indebtedness will restrict those purchases. The Company's failure to purchase the Convertible Debentures would constitute an event of default under the Debenture Indenture, which might constitute a default under the terms of the Company's other indebtedness, if any, at that time. See the section entitled "*Description of Securities Being Distributed*" in this Prospectus Supplement.

Shareholder Rights

Holders of Convertible Debentures and Warrants will not be entitled to any rights with respect to the Subordinate Voting Shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on the Subordinate Voting Shares, other than extraordinary dividends that the Company's board of directors designates as payable to the holders of the Convertible Debentures), but if a holder of Convertible Debentures subsequently: (i) exercises its Warrants; or (ii) converts its Convertible Debentures, into Subordinate Voting Shares, such holder will be subject to all changes affecting the Subordinate Voting Shares. Rights with respect to the Subordinate Voting Shares will arise only if and when the Company delivers Subordinate Voting Shares upon: (a) the exercising of a Warrant; or (b) the converting of a Convertible Debenture and, to a limited extent, under the conversion rate adjustments under the Warrant Indenture and the Debenture Indenture. For example, in the event that an amendment is proposed to the Company's constating documents requiring shareholder approval and the record date for

determining the shareholders of record entitled to vote on the amendment occurs prior to delivery of Subordinate Voting Shares to a holder, such holder will not be entitled to vote on the amendment, although such holder will nevertheless be subject to any changes in the powers or rights of Subordinate Voting Shares that result from such amendment.

Convertible Debentures may be subject to Withholding Tax and Participating Debt Interest

The Tax Act generally provides that withholding tax is not payable on interest paid or credited to non-residents of Canada that deal at arm's length with the payor. However, Canadian withholding tax continues to apply to payments of "participating debt interest". For purposes of the Tax Act, participating debt interest is generally interest that is paid on an obligation where all or any portion of such interest is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any similar criterion.

Under the Tax Act, when a debenture or other debt obligation issued by a person resident in Canada is assigned or otherwise transferred by a non-resident person to a person resident in Canada (which would include a conversion of the obligation or payment on maturity), the amount, if any, by which the price for which the obligation was assigned or transferred exceeds the price for which the obligation was issued is deemed to be a payment of interest on that obligation made by the person resident in Canada to the non-resident (an "excess"). The deeming rule does not apply in respect of certain "excluded obligations", although it is not clear whether a particular convertible debenture would qualify as an "excluded obligation". If a convertible debenture is not an "excluded obligation", issues that arise are whether any excess would be considered to exist, whether any such excess which is deemed to be interest is "participating debt interest", and if the excess is participating debt interest, whether that results in all interest on the obligation being considered to be participating debt interest.

The CRA has stated that no excess, and therefore no participating debt interest, would in general arise on the conversion of a "standard convertible debenture" (as that term was defined in a letter from the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants sent to the CRA on May 10, 2010) and therefore, there would be no withholding tax in such circumstances (provided that the payor and payee deal at arm's length for purposes of the Tax Act). The Company believes the Convertible Debentures should meet the criteria set forth in the CRA's statement. However, the application of CRA's published guidance to the Convertible Debentures is uncertain and there is a risk that the CRA could take the position that amounts paid or payable to a non-resident holder of Convertible Debentures on account of interest or any excess may be subject to Canadian withholding tax at a rate of 25% (subject to any reduction in accordance with any applicable income tax treaty or convention). As noted under "*Risk Factors - Change in Withholding Tax Laws*" below, the Debenture Indenture will not contain a requirement that the Company increase the amount of interest or other payments to holders of Convertible Debentures in the event that it is required to withhold Canadian withholding tax on payments of interest (including any excess that may be considered to be participating debt interest).

Change in Withholding Tax Laws

The Debenture Indenture will not contain a requirement that the Company increase the amount of interest or other payments to holders of Convertible Debentures who are non-resident of Canada for purposes of the Tax Act in the event that the Company is required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts on the Convertible Debentures. At present, no amount will generally be required to be withheld under the Tax Act from such payments to holders of Convertible Debentures who are either (i) residents of Canada, or (ii) non-residents of Canada that (A) deal at arm's length with the Company and (B) are not deemed to receive such payments as dividends. However, no assurance can be given that applicable income tax laws will not be changed in a manner that may require the Company to withhold amounts in respect of tax payable on such amounts.

Trading Market

The Company cannot assure that a market will continue to develop or be sustained for the Subordinate Voting Shares. If a market does not continue to develop or is not sustained, it may be difficult for investors to sell Subordinate Voting Shares at an attractive price or at all. The Company cannot predict the prices at which the Subordinate Voting Shares will trade.

PROMOTER

Staff at the Ontario Securities Commission has notified the Company that it is currently of the view that Daren Trousdell is a promoter of the Company within the meaning of applicable securities laws in Canada. Pursuant to section 58(5) of the *Securities Act* (Ontario) (the "**Act**"), the Director (as such term is defined under the Act) has consented to Mr. Trousdell not signing a Certificate of Promoter for this Prospectus Supplement in accordance with the requirement under section 58(1) of the Act and section 5.11 of NI 41-101, provided that Mr. Trousdell is the CEO and a director of the Company as of the date hereof. Neither the Company nor Mr. Trousdell agree or admit that Mr. Trousdell is a promoter of the Company.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE AGENT

Dated: September 26, 2022

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of all the provinces of Canada except Québec.

ECHELON WEALTH PARTNERS INC.

(Signed) "*Christine Young*"
Christine Young
Managing Director, Head of Origination