

**KITS EYECARE LTD.**  
**PUBLIC OFFERING OF COMMON SHARES**  
**TERMS OF OFFERING**

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*An amended and restated preliminary prospectus for each of the provinces and territories of Canada (the "Prospectus") containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the Prospectus, and any amendment, is required to be delivered with this document. The Prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.*

*This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the Prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

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<b>DATE:</b>	December 23, 2020
<b>ISSUER:</b>	Kits Eyecare Ltd. (the "Company")
<b>OFFERING:</b>	\$55 million (the "Offering")
<b>OFFERING PRICE:</b>	\$8.50 (the "Offering Price")
<b>OVER-ALLOTMENT OPTION:</b>	Up to 15% of the Offering to cover any over-allotments and for market stabilization purposes to come from secondary, exercisable within 30 days of the closing of the Offering (the "Over-Allotment Option").
<b>TOTAL NUMBER OF OFFERED SHARES:</b>	6,470,588 common shares ("Common Shares") (7,441,176 Common Shares assuming the Over-Allotment Option is exercised in full).
<b>TERMS:</b>	Commercially reasonable best efforts basis subject to a formal agency agreement.
<b>FORM OF OFFERING</b>	Initial public offering by way of a long form prospectus filed in all provinces and territories of Canada. Private placement into the U.S. to "accredited investors" / "qualified institutional buyers" and internationally as permitted.
<b>EXCHANGE:</b>	Common Shares issuable under the Offering will be listed on the Toronto Stock Exchange under the symbol "KITS".
<b>ELIGIBILITY:</b>	The Common Shares shall be eligible for RRSPs, RRIFs, RDSPs, RESPs, TFSAs and DPSPs.
<b>USE OF PROCEEDS:</b>	Net proceeds of the Offering will be used primarily towards expanding the Company's optical lab and manufacturing capabilities, growing the Company's brand, increasing our marketing efforts, repaying outstanding indebtedness, working capital and general corporate purposes.
<b>COMMISSION:</b>	The Company will pay a cash commission of 6% of the gross proceeds raised in the Offering (including the Over-Allotment Option).
<b>LEAD AGENT AND SOLE BOOKRUNNER:</b>	Canaccord Genuity Corp.
<b>LOCK-UP</b>	The Company has agreed, and each of the Company's directors and executive

**ARRANGEMENTS:**

officers, and the Principal Shareholders, will, as a condition to Closing, agree that he, she or it will not, directly or indirectly, without the prior written consent of the Agents, such consent not to be unreasonably withheld, issue, offer or sell or grant any option, warrant or other right to purchase or agree to issue or sell or otherwise lend, transfer, assign or dispose of any of the Company's equity securities, or other securities convertible or exchangeable into or otherwise exercisable into the Company's equity securities or agree or publicly announce any intention to do any of the foregoing for a period ending 180 days after the Closing Date, subject to certain limited exceptions, or the issuance of the Company's securities pursuant to or in connection with the Company's equity incentive compensation plans. Holders of 100% of the Company's issued and outstanding shares prior to the completion of the Offering will be subject to these lock-up arrangements.

**CLOSING DATE:**

Expected to close on January 7, 2021