

RIGHTS OFFERING NOTICE
Filed Pursuant to National Instrument 45-106 – Prospectus Exemptions

The securities being offered by this Notice 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 defined in Regulation S under the U.S. Securities Act). This Notice does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in the United States and these securities may not be offered or sold in the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in transactions exempt from registration under the U.S. Securities Act.

BAYLIN TECHNOLOGIES INC.

Notice to Security Holders – November 10, 2023

The purpose of this Rights Offering Notice (the “**Notice**”) is to advise holders of common shares (the “**Common Shares**”) of Baylin Technologies Inc. of a proposed offering (the “**Offering**”) of rights (the “**Rights**”) to acquire Common Shares.

References in this Notice to (i) “**we**”, “**our**”, “**us**” and the “**Company**” are to Baylin Technologies Inc. and (ii) to “**you**”, “**your**” or “**holders**” are to the shareholders of the Company. All amounts in this Notice refer to Canadian dollars, unless otherwise stated.

Proceeds from the Offering (after payment of expenses of the Offering) will be used, to the extent available (i) to repay the remaining amount of the Company's term loan facility and (ii) to provide additional capital for use in our business.

Who can participate in the Offering?

Each eligible shareholder of record of Common Shares at the close of business (Eastern time) on November 21, 2023 (the “**Record Date**”) is entitled to participate in the Offering. However, as discussed below, the Rights are only being offered to shareholders resident in Canada (“**Eligible Holders**”).

Who is eligible to receive Rights?

The Rights are being offered to Eligible Holders in Canada. You will be presumed to be resident in the place shown in our records as your registered address, unless the contrary is shown to our satisfaction.

This Notice is not to be construed as an offering of the Rights, or of the sale of Common Shares issuable on exercise of the Rights, in any jurisdiction other than Canada or to shareholders who are resident in any jurisdiction other than Canada (“**Ineligible Holders**”). The Rights and Common Shares have not been and will not be registered or qualified under the laws of any jurisdiction outside Canada.

Ineligible Holders will be sent a letter from the Company describing how they may participate in the Offering, including how a U.S. Person may participate in the Offering.

How many Rights are we offering?

We are offering a total of 88,547,717 Rights to purchase 88,547,717 Common Shares.

How many Rights will you receive?

Each Eligible Holder will receive one Right for each Common Share held on the Record Date.

What does one Right entitle you to receive?

Each Right entitles the holder to subscribe for and purchase one Common Share (the “**Basic Subscription Privilege**”) on payment of a subscription price of \$0.19 (the “**Subscription Price**”) until 5:00 p.m. (Eastern time) (the “**Expiry Time**”) on December 19, 2023 (the “**Expiry Date**”). Rights not exercised by the Expiry Time on the Expiry Date will be void and of no value.

If you exercise your Basic Subscription Privilege in full, you will be entitled to subscribe, on a proportionate basis, for additional Common Shares (at the Subscription Price) that have not been exercised and paid for under the Basic Subscription Privilege (the “**Additional Subscription Privilege**”). The number of additional Rights available will be the difference (if any) between the total number of Rights issued in the Offering and the total number of Rights exercised and paid for under the Basic Subscription Privilege. The Additional Subscription Privilege must also be exercised by the Expiry Time on the Expiry Date.

How will you receive your Rights?

Registered shareholders

If you are a registered shareholder in Canada, accompanying this Notice is (i) a statement issued by Computershare Investor Services Inc., the registrar and transfer agent for the Common Shares, but in connection with the Offering acting as “**Rights Agent**”, under its direct registration system (the “**DRS Advice Statement**”) representing the number of Rights to which you are entitled as of the Record Date and (ii) a subscription form (the “**Subscription Form**”). In order to exercise the Rights represented by the DRS Advice Statement, you must complete and deliver the Subscription Form, together with the Subscription Price for each Right exercised, to the Rights Agent in accordance with the instructions in the DRS Advice Statement and our Rights Offering Circular, which describes the terms of the Offering. See “*What are the next steps?*”

Beneficial shareholders

Shareholders resident in Canada who hold their Common Shares through a securities broker or dealer, bank or trust company or other participant (a “**CDS Participant**”) in the book-based system administered by CDS Clearing and Depository Services Inc. (“**CDS**”) as of the Record Date will have their respective Rights issued to and deposited with CDS following the Record Date. Such holders are commonly referred to as “**beneficial**” holders. Beneficial holders will not receive a DRS Advice Statement. Instead, we expect beneficial holders will receive a confirmation from their CDS Participant (in accordance with its practices and procedures) of the number of Rights issued to them. In order to exercise your Rights, you must contact your CDS Participant for instructions as to how to exercise your Rights sufficiently in advance of the Expiry Date.

Ineligible Holders

Ineligible Holders will not receive a DRS Advice Statement. Instead, accompanying this Notice (i) is letter from us and (ii) an "**Exempt Purchase Status Certificate**". If you deliver a completed and signed Exempt Purchaser Status Certificate (including, in the case of a U.S. Person, the Subscription Agreement attached to the Certificate) to us by 5:00 p.m. (Eastern time) on December 8, 2023 and we confirm your eligibility to participate in the Offering (an "**Approved Ineligible Holder**"), the Rights Agent will send you a DRS Advice Statement representing the number of Rights to which you are entitled.

If you do not satisfy us of your eligibility to participate in the Offering by 5:00 p.m. (Eastern time) on December 8, 2023, the Rights Agent will attempt, on a best efforts basis, to sell your Rights on the Toronto Stock Exchange before the Expiry Time on the Expiry Date. The Rights Agent's ability to sell the Rights, and the prices obtained on the sale of Rights, are dependent on market conditions. The proceeds (if any) received by the Rights Agent from the sale of Rights (after deducting brokerage fees and other expenses of sale) will be divided among the Ineligible Holders on a proportionate basis based on the total number of Common Shares held by them on the Record Date, subject to any taxes required to be withheld for any particular Ineligible Holder. Amounts less than \$10.00 will not be paid.

When and how can you exercise your Rights?

Registered shareholders and Approved Ineligible Holders

If you are a registered shareholder resident in Canada or an Approved Ineligible Holder, the period to exercise the Rights expires at the Expiry Time (5:00 p.m. (Eastern time)) on the Expiry Date (December 19, 2023). In order to exercise your Rights (including the Additional Subscription Privilege), you must complete and deliver the Subscription Form, together with the Subscription Price for each Right exercised, to the Rights Agent in accordance with the instructions in the DRS Advice Statement and the Rights Offering Circular. If you wish to exercise the Additional Subscription Privilege, you must first exercise the Basic Subscription Privilege in full.

Beneficial shareholders

If you are a beneficial shareholder resident in Canada, you may exercise your Rights (including the Additional Subscription Privilege) and subscribe for Common Shares by instructing your CDS Participant to exercise all or a specified number of your Rights and forwarding to your CDS Participant the aggregate Subscription Price for the Common Shares you wish to subscribe in accordance with the terms of the Offering and sufficiently in advance of the Expiry Date. Timeliness is important because CDS Participants will have an earlier deadline for receipt of your instructions and payment than the Expiry Time on the Expiry Date. If you wish to exercise the Additional Subscription Privilege, you must first exercise the Basic Subscription Privilege in full.

The Company expects that you will receive a confirmation of the number of Rights issued to you from your CDS Participant in accordance with the practices and procedures of that CDS Participant.

You must arrange for exercises, purchases or transfers of Rights through your CDS Participant and should contact your CDS Participant to instruct them accordingly.

Subscriptions are irrevocable

Subscriptions for Common Shares are irrevocable and subscribers will not be able to withdraw their subscriptions once submitted.

What are the next steps?

This document contains key information that you should know about the Company. You can find more details in the Rights Offering Circular. To obtain a copy, visit the Company's profile on SEDAR+ at www.sedarplus.ca or our corporate website at www.baylintech.com or ask your dealer representative for a copy or contact our Corporate Secretary by email at Philip.mohtadi@baylintech.com. You should read the Rights Offering Circular, along with our continuous disclosure record, to make an informed decision.

Baylin Technologies Inc.

By: "Philip Mohtadi"
Corporate Secretary