

Form 62-103F1

Required Disclosure under the Early Warning Requirements

Item 1 – Security and Reporting Issuer

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

Issuer

AirBoss of America Corp.
16441 Yonge Street
Newmarket, Ontario
Canada L3X 2G8
(the “**Issuer**”)

Securities

The Acquiror acquired 300,000 common shares in the capital of the Issuer.

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

Aequitas NEO Exchange

Item 2 – Identity of the Acquiror

2.1 State the name and address of the Acquiror.

SKKY Capital Corporation Limited
11 Bermudiana Road, Suite 558
Pembroke HM08 Bermuda
(the “**Acquiror**”)

The Acquiror is a private investment company, incorporated in the jurisdiction of Bermuda.

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

On September 29, 2020, the Acquiror purchased 300,000 common shares in the capital of the Issuer on the Aequitas NEO Exchange.

2.3 State the names of any joint actors

Not Applicable.

Item 3 – Interest in Securities of the Reporting Issuer

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

The Acquiror purchased 300,000 common shares in the capital of the Issuer on the Aequitas NEO Exchange (the “**Acquisition**”).

Prior to the Acquisition, the Acquiror held 4,632,300 common shares in the capital of the Issuer, which is equal to 19.80% of the issued and outstanding common shares of the Issuer.

Following the Acquisition, the Acquiror holds 4,932,300 common shares in the capital of the Issuer, which is equal to 21.09% of the issued and outstanding common shares of the Issuer.

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

The Acquiror acquired ownership and control of 300,000 common shares in the capital of the Issuer.

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

Not Applicable.

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

See Item 3.1

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

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

The Acquiror has ownership and control over 4,932,300 common shares in the capital of the Issuer, which is equal to 21.09% of the issued and outstanding common shares of the Issuer.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

- 3.7 If the Acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

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

Not Applicable.

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

Not Applicable.

Item 4 – Consideration Paid

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

The Acquiror received 300,000 common shares at \$18.75 per common share for total consideration of \$5,635,500.

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

Not Applicable.

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

Not Applicable.

Item 5 – Purpose of the Transaction

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

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Acquiror acquired 300,000 common shares of the Issuer for investment purposes. In pursuing such purposes, the Acquiror takes a long-term view of its investment. The Acquiror reserves the right to formulate other plans or make other proposals, and take such actions with respect to its investment in the Issuer. Depending on market conditions and other factors, the Acquiror may acquire additional securities of the Issuer as the Acquiror may deem appropriate, whether in open market purchases, privately negotiated transactions or otherwise. The Acquiror may dispose of some or all of such securities. The Acquiror may also reconsider and change its plans or proposals relating to the foregoing.

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

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

Not Applicable.

Item 7 – Change in Material Fact

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

This Early Warning Report is being filed to amend the Early Warning Report filed on the Issuer's SEDAR profile on September 30, 2020.

Although insider reports were appropriately filed on SEDI, the Acquiror did not file Early Warning Reports related to acquisitions of the Issuer's common shares, pursuant to Section 5.2(2)(a)(i) of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* ("NI 62-104"). The following information is now being disclosed in lieu.

The Acquiror initially became an insider of the Issuer on May 8, 2015 when the Acquiror acquired 250,000 common shares in the capital of the Issuer. Prior to the acquisition on May 8, 2015, the Acquiror held 2,196,900 common shares in the capital of the Issuer, which was below the 10% threshold for insider reporting. After the acquisition on May 8, 2015, the Acquiror held 2,446,900 common shares in the capital of the Issuer, which amounted to a holding of 10.64% of the issued and outstanding common shares of the Issuer.

On February 9, 2016, the Acquiror acquired 500,000 common shares in the capital of the Issuer, which amounted to an acquisition of 3.90% of the issued and outstanding common shares of the Issuer. Prior to the acquisition on February 9, 2016, the Acquiror held 2,846,900 common shares in the capital of the Issuer, which amounted to a holding of 12.37% of the issued and outstanding common shares of the Issuer. After the acquisition on February 9, 2016, the Acquiror held 3,346,900 common shares in the capital of the Issuer, which amounted to a holding of 14.54% of the issued and outstanding common shares of the Issuer.

On April 6, 2018, the Acquiror acquired 150,000 common shares in the capital of the Issuer, which amounted to an acquisition of 2.51% of issued and outstanding common shares of the Issuer. Prior to the acquisition on April 6, 2018, the Acquiror held 3,842,000 common shares in the capital of

the Issuer, which amounted to a holding of 16.41% of the issued and outstanding common shares of the Issuer. After the acquisition on April 6, 2018, the Acquiror held 3,992,000 common shares in the capital of the Issuer, which amounted to a holding of 17.05% of the issued and outstanding common shares of the Issuer.

On October 24, 2019, the Acquiror acquired 200,000 common shares in the capital of the Issuer, which amounted to an acquisition of 2.76% of the issued and outstanding common shares of the Issuer. Prior to the acquisition on October 24, 2019, the Acquiror held 4,432,300 common shares in the capital of the Issuer, which amounted to a holding of 18.92% of the issued and outstanding common shares of the Issuer. After the acquisition on October 24, 2019, the Acquiror held 4,632,300 common shares in the capital of the Issuer, which amounted to a holding of 19.80% of the issued and outstanding common shares of the Issuer.

Item 8 – Exemption

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

For the acquisition of 300,000 common shares of the Issuer that occurred on September 29, 2020, which resulted in the Acquiror holding 21.08% of the issued and outstanding shares of the Issuer, the Acquiror is relying on the normal course purchase exemption pursuant to Section 4.1 of NI 62-104, as:

- the Acquiror's bid for 300,000 common shares in the capital of the Issuer amounts to a bid for 1.27% of the issued and outstanding common shares of the Issuer, and as such does not exceed 5% of the issued and outstanding common shares of the Issuer;
- the Acquiror has acquired an aggregate number of common shares in the capital of the Issuer within the last 12 months that amounts to 4.03% of the issued and outstanding common shares of the Issuer, and as such, the aggregate number of common shares in the capital of the Issuer that has been acquired by the Acquiror within the last 12 months does not exceed 5% of the issued and outstanding common shares of the Issuer;
- there was on September 29, 2020, and still currently is, a published market for the Issuer's common shares; and
- pursuant to section 1.11(3) of NI 62-104, the market price for the common shares is the price of the last standard trading unit of common shares purchased, before the acquisition by the Acquiror, by a person who was not acting jointly or in concern with the Acquiror. As the Acquiror acquired the 300,000 common shares in the market, and is not acting jointly or in concern with anyone, the total value of consideration paid for the 300,000 common shares was not in excess of the market price on September 29, 2020.

Item 9 – Certification

The Acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent’s best knowledge, information and belief but the Acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

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

Dated this 24th day of November, 2020.

SKKY Capital Corporation Limited

 /s/ “Gordon Flatt”
Gordon Flatt, President